Joint New Year Editorial: “After kindling the torch of a great upsurge in Kangson, home to the Chollima movement, he proposed launching the 150-day and 100-day campaigns successively, and took revolutionary measures to bring them to a victorious conclusion. His outstanding leadership ability was the source of impetus for the unprecedentedly great innovations and leap. … Last year witnessed one remarkable event of knocking on the gate to a thriving nation after another. The successful launch of man-made satellite Kwangmyongsong-2 and the successful second underground nuclear test by our own efforts and technology were a landmark event signaling the first victory in the building of a thriving nation. … The 150-day and 100-day campaigns were an unforgettable struggle that wrote the most brilliant chapter in the history of our great upsurge. … Now, based on the brilliant achievements of the great revolutionary upsurge, the Party is unfolding unprecedentedly grand plans and operations to bring about a decisive turn in the people’s standard of living. It is the firm determination and will of the Party to enable the people, who have braved severe hardships together with the Party, to enjoy the blessing of socialism to their hearts’ content by getting them relish the substantial fruits of the present great upsurge and realize without fail the noble intention and desire of President Kim Il Sung who devoted his heart and soul to the people all his life. … We should conduct an all-Party and nationwide drive for improving the people’s standard of living to ensure that the achievements of the great upsurge are followed by greater ones and this year becomes a prosperous year filled with the people’s happiness. ‘Bring about a radical turn in the people’s standard of living by accelerating the development of light industry and agriculture once again this year that marks the 65th anniversary of the founding of the Workers’ Party of Korea!’ is a slogan we should uphold. Light industry and agriculture are the major fronts in the efforts for improving the people’s standard of living. … We should radically increase the state investment in the fields
related to the people's living, and all the sectors and units should supply fully and in time
the raw and other materials needed for the production of light-industry goods. We
should gain access to more foreign markets, and undertake foreign trade in a brisk
way to contribute to economic construction and the improvement of the people’s
standard of living. … This year marks the 10th anniversary of the publication of the
historic June 15 North-South Joint Declaration. … Last year, we took active and bold
measures and made sincere efforts in order to improve the aggravated inter-Korean
relations and bring a radical phase in national reunification. … This year we should hold
high the slogan ‘Let the entire nation unite under the banner of north-south joint
declarations and achieve national reunification at the earliest date!’ The way for
improving the north-south relations should be opened. Unshakable is our stand that
we will improve the north-south relations and open the way for national
reunification on the basis of the historic June 15 joint declaration and October 4
declaration. If the South Korean authorities continue to negate the June 15 joint
declaration and cling to the policy of confrontation in collusion with the foreign forces,
the relations between the north and the south will never be improved. … The
fundamental task for ensuring peace and stability on the Korean Peninsula and in the rest
of Asia is to put an end to the hostile relationship between the DPRK and the USA. It is
the consistent stand of the DPRK to establish a lasting peace system on the Korean
Peninsula and make it nuclear-free through dialogue and negotiations. Our Party
and the government of our Republic will strive to develop relations of good-
neighborliness and friendship with other countries and achieve global
independence under the unfurled banner of independence, peace and friendship.”
(KCNA, “Joint New Year Editorial of Leading Newspapers in DPRK Released,” January 1,
2010)

North Korea’s latest New Year’s message showed that the Pyongyang regime is
prepared to cooperate to restart the stalled multilateral talks aimed at ending
Pyongyang’s nuclear weapons programs. The North also appeared to be considering
better relations with South Korea and the United States, towards which it has been
vigorously critical of in the past. Pyongyang is refraining from such attacks and setting
down “unreasonable” preconditions for cooperating with Seoul or others. “Regardless of
whether this is a strategic ploy or not, the North has shown strong signs of willingness to
improve relations with nations such as Seoul and Washington,” said Professor Yang Moo-
jin of the University of North Korean Studies here. Towards Seoul, the North directly
called on the need to “open the path for improving relations between the two Koreas” in
the message carried in a joint newspaper editorial on Jan.1. Pyongyang stressed that this
year marks the 10th anniversary of the June 15 agreement reached between the two
sides under former president Roh Moo-hyun. Other noticeable points of the message
were the regime’s emphasis on the economy. “Pyongyang, for the first time in many
years, has put more focus on the economy than the military,” Yang said. The unfavorable
economic climate is part of the reason Pyongyang is so eager to mend fences with Seoul,
experts said, as inter-Korean projects have served the North well financially. “There is
also a political twist to the North’s focus on the economy and cooperation with others,”
Professor Yang said. “It is all proof that North Korean leader Kim Jong-il is desperate to
stabilize his state before relinquishing his throne.” Officials here, however, were cautious
about being overly optimistic on the North’s latest message. “It was a good to see the
North not as hostile as before, but we are still far from seeing Pyongyang proving itself to be sincerely committed to denuclearization,” one high-ranking official said on the condition of anonymity. (Kim Ji-hyun, “N.K. Shifts to Softer Mode,” Korea Herald, January 1, 2010) Characteristic of this year’s editorial was a softened tone toward archrival South Korea and Cold War enemy, the United States. The mentioning of relations with the U.S. and South Korea was made in surprisingly moderate language devoid of the usual propaganda harangues. The North Korean message manifested its dual pursuit for a stable peace regime and denuclearization on the Korean peninsula through dialogue and negotiation. Pyongyang’s policy statement unequivocally stated its intent to deal with the two issues in a package. But its most noticeable points were its emphasis on the economy. The editorial said that all efforts should be concentrated on improving the people’s standard of living. As the slogan of the editorial indicated, light industry and agriculture are the major fronts for this. Another notable point is the editorial’s de-emphasis of the defense industry, which is reduced to its work on science and technology: “The sector of defense industry, a major front in pushing back the frontiers of science and technology, should continue to lead the efforts to open the gate to a great, prosperous and powerful country…” (Vantage Point, “Softened Tone in N.K.’s New Year Policy Goals,” February 2010, p. 2-7)

North Korea’s No. 2 leader urged the pro-Pyongyang General Association of Korean Residents in Japan, Chongryon, in a New Year’s letter to “positively contribute to” improving bilateral relations with Japan based on the spirit of the Pyongyang Declaration, the official Korean Central News Agency said. It was the first time since a New Year’s letter to Chongryon in 2003 that Kim Yong Nam has referred to the declaration, raising speculations that Pyongyang may have become more interested in Japan’s North Korea policy under the government of Prime Minister Hatoyama. (Kyodo, “N. Korea Urges Pro-Pyongyang Body in Japan to Help Improve Ties,” January 2, 2010)

President Lee Myung-bak proposed that the two Koreas establish a liaison office in each other’s capital for “standing dialogue” and a new turning point in their tumultuous relations.

“The government will endeavor to improve relations with North Korea,” he said in a televised New Year’s address. “For this, there is a need to establish a body that will allow inter-Korean dialogue to take place at all times. I hope that North Korea will engage in genuine dialogue, opening up the road to cooperation,” he added, apparently reviving his proposal during a U.S. visit in April 2008, two months after his inauguration. Lee suggested in an interview with the Washington Post that the two Koreas set up a high-level diplomatic channel and create the first liaison offices in each other’s capital. North Korea, however, rejected Lee’s proposal nine days later through a commentary run in the Rodong Sinmun. (Lee Chi-dong, “Lee Proposes Establishing Regular Dialogue Channel with North,” Yonhap, January 4, 2010) President Lee proposed a humanitarian project with rival North Korea under which the two states would cooperate in repatriating remains of tens of thousands of soldiers killed during the 1950-53 Korean War. “South Korea will not forget those who gave their lives on foreign soil,” Lee Myung-bak said in a New Year’s address. He said the recovery project would be an appropriate way to mark the 60th anniversary of the start of the war in which U.S.-led U.N. forces and South Korean troops fought North Korea and China. “This can only come out of trust between
It is also a problem that will likely be solved with money," said Kim Yong-hyun, an expert on the North at Dongguk University. (Jon Herskovitz and Christine Kim, “South Korea Calls on North to Search for War Dead,” Reuters, January 4, 2010)

Unification Minister Hyun In-taek said that dialogue between the divided countries should bring about a “turning point” this year in the solution of the North Korean nuclear problem. “Among others, a turning point in resolving the North Korean nuclear problem should be created through productive inter-Korean dialogue,” said in a speech to his ministry officials in a ceremony to mark the formal start of the year. He also called for greater regional cooperation to help end hostility on the peninsula. “People’s hope for reunification should be brought together, while we must expand at full speed cooperation with neighboring countries to form consensus on it,” he said. (Sam Kim, “S. Korea Says Dialogue with N. Korea in 2010 Should Help Denuclearize Pyongyang,” Yonhap, January 4, 2010)

The United States will welcome any trip to China by North Korean leader Kim Jong-il to help reopen the stalled six-party talks on ending the North’s nuclear ambitions, a senior State Department official said. “We have always welcomed interaction with North Korea by our partners in the six-party process, and we welcome that interaction if Kim Jong-il travels to Beijing,” the official said. “China has had multiple trips to Pyongyang to make clear to Kim Jong-il what needs to be done now. If Kim Jong-il comes to Beijing and tells Chinese leaders that he is ready to return to the six-party process and move forward, we will welcome that news.” The U.S. official said that the five other parties have been closely coordinating their North Korea policy. “Our primary focus is what will Kim Jong-il say, what will he do?” the official said. “We maintain ongoing consultations with six-party members to try to see what North Korea is prepared to do.” He said the five parties “have a commitment that any dialogue with North Korea is in the context of the six-party process just as we made clear why Stephen Bosworth went to North Korea last month.” “We welcome any interaction that other countries have with North Korea whether it’s South Korea, Japan, China, Russia, whoever,” he said. “I think that we are confident that we all view the situation the same. I think we are confident that the message that North Korea is receiving from all of the six-party countries is the same.” Asked about Kim’s possible Chinese trip, DoS spokesman Philip Crowley said, “You know, whatever the Dear Leader decides to do, it’s up to him.” (Hwang Doo-hyong, “U.S. Welcomes Possible Beijing Trip by Kim Jong-il,” January 5, 2010)

North Korea has upgraded the status of a free trade zone near its border with China and Russia as it looks to boost foreign investment, state media said. “Rason City was designated as a municipality” in a decree issued by the Presidium of the Supreme People’s Assembly, KCNA said. The cabinet and relevant organs” shall take practical measures to implement the decree.” The move is also seen by analysts as a further attempt by Pyongyang to reassert government control of the faltering economy, more than a month after North Korea drastically revalued its currency. Three weeks ago North Korean leader Kim Jong-Il reportedly visited the northeastern city of Rason, formerly Rajin-Sonbong, which became a special economic zone in 1991 but never fulfilled its proposed role as a transport hub. Analysts say the move to upgrade the zone to a municipality reflects Pyongyang’s fresh drive to revitalize the area through cooperation with China and Russia. North Korea and Russia have agreed to renovate a cross-border
railway and port facilities in Rason. China has also been actively exploring investment opportunities in the city. “It is an expression of North Korea's will to attract foreign investment and also to strengthen ties especially with China,” Seoul’s Dongguk University professor Kim Yong-Hyun said. (AFP, “North Korea Looks to Boost Failed Trade Zone,” January 5, 2010)

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North Korea likely began its uranium-based nuclear weapons program soon after it agreed to give up its nuclear ambitions in a 1994 deal with the United States, FM Yu Myung-hwan said in an interview, accusing Pyongyang of using negotiations to buy time for its clandestine nuclear programs. Yu said little is still known about the communist country’s secret nuclear program, including how much uranium they have produced or in what stage of development the program is. “Still, what is certain is that North Korea began its (uranium) enrichment program for nuclear weapons from very early on. It appears that North Korea began the enrichment program shortly after signing the Geneva agreement, or at least in 1996,” Yu said. The minister noted the North may have also used, and is continuing to use, the six-way talks in a similar way to win international concessions while securing enough time and resources to further its nuclear programs. “There, of course, may have been times when North Korea used its nuclear issue as leverage for short-term economic gains, but there is a need to look at it as a more serious issue because, more fundamentally, the North Korea nuclear issue has to do with the North’s regime,” he said. Minister Yu said the North may soon return to the negotiating table for economic assistance, but made clear the other countries will not reward the communist nation for simply returning to dialogue. “I believe there is always a possibility (North Korea) may return to negotiations to evade its economic crisis. And that is why not only South Korea, the U.S. and Japan, but also China and Russia share a firm understanding that we cannot reward the North for its return to the negotiations alone,” the minister said. Yu said this means the countries will first deal with the most fundamental and serious issue of permanently and completely ridding North Korea of its nuclear capabilities. “The proposal for a grand bargain comes from a belief that it is not logical to have negotiations that only deal with easy issues while leaving difficult ones in a far side corner, negotiations that no one can say how long it will take,” he said. The minister also said his country will reject the North’s recent proposal for separate talks to discuss replacing the Korean armistice with a permanent peace treaty if the proposal is only an attempt to stall its denuclearization process. “If North Korea has sincerity about a peace treaty, it will have to first show it with a decision to denuclearize,” Yu said. (Byun Duk-kun, “FM Says N. Korea’s Uranium Program Likely Began in Mid-1990s,” Yonhap, January 6, 2010)

Deputy PM Kan Naoto will be Japan’s next finance minister after Fujii Hirohisa steps down for health reasons, PM Hatoyama Yukio told reporters. (Kyodo, “Hatoyama Picks Kan As New Finance Chief to Succeed Fujii,” January 6, 2010) “In reality, this is about Democratic Party of Japan Secretary General (Ichiro) Ozawa,” said Takagi Masaru, a professor at Meiji University in Tokyo, pointing out that Fujii and Ozawa — regarded as the most powerful man in the ruling coalition — had been on bad terms recently. Takagi said that rather than health concerns, the discord between Fujii and the Cabinet’s so-called shadow shogun was the main factor that prompted Fujii to resign. (Hongo Jun and Alex Martin, “Clash with Ozawa Said Behind Resignation,” Japan Times, January 7, 2010)
After a delay of nearly seven years, the Pyongyang University of Science and Technology jointly established by the two Koreas will finally open its doors in April in the North Korean capital. It was originally set to open in 2003, but the standoff over North Korea’s nuclear ambitions caused a delay in those plans. Most of the facilities have been built and the university has already completed its recruitment of students, according to Kim Chin-kyung, president of Yanbian University of Science and Technology based in this city in China’s Jilin province, who has been a driving force behind the new university. He said 17 buildings will be constructed for classrooms and dormitories. In the first year, about 200 undergraduates and 100 graduate students will be enrolled. Most classes will be taught in English by 13 professors from South Korea, the United States and Europe. Tuition will be free and students will also receive a monthly stipend for living expenses. The new university is a joint project of North Korea’s Ministry of Education and South Korea’s Northeast Asia Foundation for Education and Culture. Operating costs will be covered mainly through donations from South Korea, the United States and Europe. Kim Chin-kyung was asked by North Korean officials to head the group created to establish the new university because of his experience in creating China’s first private university. (Nishimura Daisuke, “In Pyongyang, Science Gets a South Korean Spin,” January 6, 2010)

Questionnaire sent to 42 scholars and former officials finds that although the administration had demonstrated a clear intention to resolve the nuclear issue through negotiation and dialogue, it has not yet presented a concrete vision and strategy. Chung Chang-hyun, president of Minjok 21, a monthly magazine on North Korean issue, said, “The Obama administration is following the North Korean policy of the second term of the Bush administration.” He added, “Up until this point, it has not yet demonstrated its own North Korean policy.” The North Korea experts and former high officials also commented on the economic crisis originating from the U.S., the struggle with health care reform and issues with Iran and Afghanistan as factors in why the Obama administration has shown a dubious North Korea policy. In other words, the respondents believe these issues have contributed to North Korea’s lower ranking in the U.S.’s list of priorities. Other respondents were more severe in their assessments of Obama’s North Korean policy by calling it “a failure.” Kim Yeon-cheol, head of the Hankyoreh Peace Institute, said, “The Obama administration’s emphasis on cooperating with the South Korean government that has demonstrated methods of governance compared to the Bush administration has led to a failure in North Korean policy.” Kim and others suggest cooperation with a conservative ruling South Korean government has weakened efforts to gain momentum towards negotiation with North Korea. A professor who opted for anonymity said, “The Obama administration’s North Korean policy has become the hostage of bureaucratic politics in Washington D.C. and the conservative governments of Seoul and Tokyo.” He described it as “a typical policy without any creativity.” Others recognized some differences between Obama administration’s North Korean policy and that of the Bush administration. Jeong Se-hyun, former Unification Minister, said, “Since her inauguration, U.S. Secretary of State Hillary Rodham Clinton has suggested a peace agreement as part of the solution on the North Korea nuclear issue and sent a similar message to North Korea even after the second nuclear test was conducted, and that is significant difference from the Bush administration.” On the same item, some conservative-leaning experts offered a favorable assessment on Obama administration’s North Korean policy and said, “It has maintained the principle that the
U.S. will not reward wrong behavior." Chun Sung-hoon, senior research fellow of the Korean Institute for National Unification, said, “The Obama administration has shown a firm attitude and that it will not be cheated by North Korea, which has violated agreements repeatedly.” Chun added, “It has made it clear to North Korea that nuclearization will not benefit it.” (Hankyore, “South Korean Expert Views on Obama’s North Korea Policy Are Mixed,” January 6, 2010)

UnifMin Hyun In-taek has said he is always willing to meet the top North Korean official dealing with South Korea to solve any problems between the two sides. In an interview with the Chosun Ilbo, Hyun said his ministry “is the official channel for inter-Korean dialogue, so it would be only natural for the two Koreas to go through the communication line between the Unification Ministry and the United Front Department [of North Korea] if they want dialogue.” In his first interview with a local publication since his inauguration, Hyun was noncommittal when asked about his views about the background and prospects of the recent mood of détente between the two Koreas. But he was unequivocal that the Unification Ministry should “take center stage” Asked about the state of inter-Korean relations, he said, "It’s not dawn yet, but the day will break soon." President Lee Myung-bak’s call for a standing dialogue channel with the North in his New Year’s address Monday, Hyun said, "is an important task to solve in the process of inter-Korean dialogue. I hope that the channel will materialize as soon as possible.” (Chosun Ilbo, “Unification Minister Seeks Central Role in Ties with N. Korea,” January 8, 2010)

The number of North Korean defectors hiding in China is estimated to have shrunk in recent years to almost one tenth the level seen in the late 1990’s, a U.S. demographer said. Activists and relief groups say tens of thousands of North Korean defectors live in China, but Dr. Courtland Robinson at Johns Hopkins University Bloomberg School of Public Health said the number may have dropped to between 6,000 and 16,000 as of 2007. “About a decade ago, people were literally being starved to death and fleeing to China,” Robinson said in an interview, putting the 1998 figure between 50,000 and 130,000. Famine had reportedly killed as many as 2 million people in North Korea in the mid-1990s. (Sam Kim, “N. Korean Defectors in China Decreasing: U.S. Expert,” Yonhap, January 7, 2010)

Joseph Nye: “The Pentagon is properly annoyed that Hatoyama is trying to go back on an agreement that took more than a decade to work out and that has major implications for the Marine Corps’ budget and force realignment. Secretary of Defense Robert Gates expressed displeasure during a trip to Japan in October, calling any reassessment of the plan “counterproductive.” When he visited Tokyo in November, President Obama agreed to a high-level working group to consider the Futenma question. But since then, Hatoyama has said he will delay a final decision on relocation until at least May. Not surprisingly, some in Washington want to play hardball with the new Japanese government. But that would be unwise, for Mr. Hatoyama is caught in a vise, with the Americans squeezing from one side and a small left-wing party (upon which his majority in the upper house of the legislature depends) threatening to quit the coalition if he makes any significant concessions to the Americans. Further complicating matters, the
future of Futenma is deeply contentious for Okinawans. Even if Mr. Hatoyama eventually gives in on the base plan, we need a more patient and strategic approach to Japan. We are allowing a second-order issue to threaten our long-term strategy for East Asia. 


North Korea held events to celebrate what is believed to be the 28th birthday of ruler Kim Jong Il’s youngest son, according to aid groups and others with contacts there, adding to speculation that the younger Mr. Kim is bringing groomed to take over from his father. High-ranking military and Communist Party officials at one of the events were told to serve Kim Jong Un, the third of the elder Mr. Kim’s sons, as “another great leader” for the country, according to South Korean media outlets that monitor affairs in the North. People sang songs to praise Kim Jong-un and pledged their loyalty to him, according to media and North Korea-focused groups, which also said party officials held lectures to glorify the greatness of the Kim family. (Jaeyon Woo, “North Korea Celebrates Birthday of Leader’s Youngest Son,” Wall Street Journal, January 8, 2010)

PM Hatoyama Yukio expressed his intention to consider crafting a joint security declaration between the governments of Japan and South Korea. But it remains unclear whether Japan and South Korea can fashion such a document given the strong reservations among diplomats of the two countries. “This is a topic that has come up amid the growing momentum for boosting cooperation between Japan and South Korea...on the occasion of President Lee’s visit to Japan,” Hatoyama told reporters. Strong anti-Japanese feelings remain among many South Koreans for Japan’s colonization of the country. But Hatoyama said, “Although various problems lay between Japan and South Korea, the so-called emotional part [feelings] in the two countries has receded to a fair degree.” DefMin Kitazawa Toshimi expressed hope for moving forward on crafting the declaration, noting that the Korean Peninsula, which remains divided between North and South, is an extremely important region to Japan. “We should greatly welcome the move if we can talk with South Korea,” he said at a news conference. “If we could consult [with each other] by overcoming our indebtedness and ill feelings in the 100th year since Japan’s annexation of Korea, it couldn’t be better than that.” Kitazawa denied, however, that the Hatoyama Cabinet has already begun considering the move. The prime minister’s side appears to be willing to. But in Seoul, reservations are said to be strong because it could invite negative reactions from South Koreans. “There’s no fact that backs the move to consider [crafting the declaration],” a senior FoMin official said. (Kyodo, “Japan Likely to Consider Joint Security Declaration with S. Korea,” January 8, 2010)

Forty North Korean officials were taught about the stock market, supply of consumer goods, light industrial policies, international trade and intellectual property right protection at China’s Dalian University in October and November, 2009, a source at the Ministry of Strategy and Finance said. A research institute under the state-run Seoul National University provided the education program, which cost the South 220 million
won (US$194,000). The ministry said that South Korean officials were not directly involved in the training program. (Yonhap, “S. Korea Gave Pyongyang Officials Market Economy Training in 2009: Source,” January 8, 2010)

The United States will soon start talks with Japan aimed at deepening the bilateral alliance without waiting for the dispute over the relocation of a U.S. airfield in Okinawa Prefecture to be resolved, said U.S. Assistant Secretary of State Kurt Campbell in a recent interview. “There are many aspects of our relationship, and we can’t put those other dimensions on hold ... So we will begin discussions.” (Ogawa Satoshi, “U.S. to Put Futenma on Back Burner; Campbell Says Alliance Talks to Start Soon,” Yomiuri Shimbun, January 8, 2010)

Victor Cha: “There is a new sheriff in town. Prime Minister Hatoyama Yukio and Ozawa Ichiro, secretary of the DPJ, are breaking the half-century of conservative rule by the Liberal Democrat Party. But the problem is they lack a clear direction. Bureaucrats who once ran the country like the autopilot on a jumbo airliner now openly complain that monkeys (politicians) are in the cockpit. Normally polite and serene establishment types now pound the table in anger, and in full view of foreigners, over Hatoyama’s incompetence and deride the D.P.J., a coalition of socialist and liberal politicians who through their own ineptness once ensured that Japan would be forever seen as a one-party democracy. But now, “citizen’s committees” in the new government publicly call bureaucrats to task as they slash budgets and redistribute resources. Hatoyama is wresting power from every corner of the bureaucracy but he has done nothing with his party’s new found clout, effectively causing the entire government to grind to a halt. This is the biggest political change in Japan in many decades; one that has rattled the foundations of the stable, predictable U.S.-Japan alliance. ... Is Japan rewriting the terms of the U.S.-Japan alliance? Probably not. One gets the sense of a new government trying to define an identity that is different from its wholly pro-American conservative predecessors, but certainly not one that is anti-American. Domestic political calculations play a role in that the government needs to appease about 10 socialists (who are anti-American) until it can pass its budget, and then must focus on winning an absolute majority in the next legislative elections in July. The unfortunate victim of this confluence of political forces is the U.S. base agreement, as Hatoyama and Ozawa delay real decisions for vote calculations. But Tokyo needs to realize that time is not on its side. What has resulted from Hatoyama’s failure to enunciate a clear strategy or action plan is the biggest political vacuum in over 50 years. And the problem with such vacuums is that every statement or action can be taken out of context and propel U.S.-Japan relations in unpredictable directions. In this context, Hatoyama’s statements about an East Asia community minus the U.S. or its red carpet treatment of Iran start to deplete the reservoir of trust and goodwill. Amid this vacuum, Mr. Ozawa took 140 politicians to Beijing last month to share toasts and smiles with President Hu Jintao, making an otherwise welcome event in regional relations look like a deliberate poke at Washington. Operating without strategic clarity can have costs beyond the loss of trust and political goodwill. In 2002, for example, Roh Moo-hyun was elected president of South Korea amid a groundswell of anti-American sentiment. Like Hatoyama, he made inflammatory statements about being independent of the U.S. alliance, but had no real vision behind them. This led to the worst of both worlds – angry relations with allies, but no real
alternate strategy. Moreover, the crisis of trust in the alliance precipitated a drop in market confidence among foreign investors and massive transfers of currency abroad by South Korean companies until the situation stabilized. Hatoyama and Ozawa need to learn from this experience. They must elucidate an economic strategy and an alliance action plan. Otherwise the costs could be far worse than hurt feelings on either side of the Pacific.” (Victor Cha, “Focus on Policy, Not Politics,” New York Times, January 8, 2010)

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DPRK FoMin Statement: “A year has gone by while the process for the denuclearization of the Korean Peninsula is standing at the crossroads due to serious challenges to it. The denuclearization of the Peninsula is the goal of the policy consistently pursued by the Government of the Republic with a view to contributing to peace and security in Northeast Asia and the denuclearization of the world. It was thanks to the sincere and exhaustive efforts of the Government of the Republic that dialogues had taken place for the denuclearization of the Peninsula since the 1990s and, in this course, such important bilateral and multilateral agreements as the “DPRK-US Agreed Framework” and the September 19 Joint Statement were adopted. The implementation of all the agreements, however, stopped half way or was overturned. Since then the nuclear threat on the Korean Peninsula has not been decreased, but on the contrary it has further increased and, consequently, even nuclear deterrent came into being. The course of the six-party talks which witnessed repeated frustrations and failures proves that the issue can never be settled without confidence among the parties concerned. Still today the talks remain blocked by the barrier of distrust called sanctions against the DPRK. It is our conclusion that it is necessary to pay primary attention to building confidence between the DPRK and the United States, the parties chiefly responsible for the nuclear issue, in order to bring back the process for the denuclearization of the Korean Peninsula on track. If confidence is to be built between the DPRK and the US, it is essential to conclude a peace treaty for terminating the state of war, a root cause of the hostile relations, to begin with. [Broadcast text: “To build trust between the DPRK and the United States, a peace agreement for putting an end to the state of war should first be concluded.] When the parties are in the state of war where they level guns at each other, distrust in the other party can never be wiped out and the talks themselves can never make smooth progress, much less realizing the denuclearization. Without settling such essential and fundamental issue as war and peace no agreement can escape from frustration and failure as now. The peace treaty by nature should have been already concluded in the light of its intrinsic necessity, regardless of the nuclear issue. Had durable peace regime been established on the Korean Peninsula long ago, the nuclear issue would have not surfaced. Now that the issue of concluding the peace treaty is mentioned in the September 19 Joint Statement, too, it is good to move up the order of action as required by practice in the light of the lesson drawn from the failure of the six-party talks. The conclusion of the peace treaty will help terminate the hostile relations between the DPRK and the US and positively promote the denuclearization of the Korean Peninsula at a rapid tempo. Upon authorization, the DPRK Foreign Ministry courteously proposes to the parties to the Armistice Agreement an early start of the talks for replacing the AA by the peace treaty this year which marks the lapse of 60 years since the outbreak of the Korean War. The above-said talks may be held either at a separate forum as laid down in the September 19 Joint Statement or in the
framework of the six-party talks for the denuclearization of the Korean Peninsula like the DPRK-US talks now under way in view of their nature and significance. The removal of the barrier of such discrimination and distrust as sanctions may soon lead to the opening of the six-party talks. [Broadcast text: “Should the barrier of discrimination and mistrust called sanctions be removed, the Six-Party Talks themselves, too, will be able to open soon.”] If the parties to the AA sincerely hope for peace and security and the denuclearization of the Peninsula, they should no longer prioritize their interests but make a bold decision to deal with the fundamental issue without delay.” (KCNA, “DPRK Foreign Ministry Proposes to Parties to Early Start of Talks for Replacing AA by Peace Treaty,” January 11, 2010)

A MOFA official close to the nuclear talks said the North’s proposal may well be part of an attempt to disrupt the negotiations. FM Yu Myung-hwan noted in a recent interview with Yonhap News Agency that Pyongyang may try to bring the issue into the six-party dialogue in an attempt to delay negotiations on ending its nuclear ambitions. “We cannot rule out the possibility that that is what North Korea really is trying to do. I believe there is nothing very positive in the North’s statement, though we still have to look deeper into the negative elements,” the official told reporters. The official said South Korea will continue to oppose launching discussions for a peace treaty until the nuclear negotiations show significant progress. “What we have said before is that we can start discussing a peace regime when there is strong momentum for progress in the denuclearization of North Korea,” he said. (Yonhap, “S. Korea Skeptical of N. Korea Proposal for Peace Treaty,” January 11, 2010)

Robert King: “I have just finished a meeting with the Foreign Minister. I have been in the position of Special Envoy for North Korean Human Rights [Issues] now for six weeks. …

Q: Do you have any plans to meet with North Koreans or to visit Pyongyang in the near future? KING: If the North Koreans invite me to Pyongyang, I will be happy to go. Q: Do you feel it is part of your mission to bring a court action in the International Court of North Korean human rights? KING: We have to look at that. I don’t have a case in mind right now. That is one option. The North Koreans have engaged with the UN Human Rights Council. We probably ought to continue to encourage the North Koreans to participate in international agencies that look at human rights issues. …

Q: Do you have a plan that the North Korea human rights program to put on the Six-Party Talks as a (inaudible)? KING: The Six-Party Talks include a subgroup of the United States and the DPRK. We will hold bilateral discussions in the context of the Six-Party Talks. As we have said on many occasions, a relationship of the United States and North Korea will have to involve human rights.” (DoS, Robert R. King, Press Walkout at the MOFAT,” Seoul, January 11, 2010)
Summary

South Korea’s foreign minister tells American diplomats that Kim Jong-il will soon visit China to seek assistance and backing for his plan to anoint his youngest son as his political heir. Minister YU says Kim also needs Chinese economic aid and political help to deal with an increasingly “chaotic” situation at home. Key passage highlighted in yellow.

Summary

1. (C) During a January 11 meeting with Special Envoy Robert King, FM Yu downplayed press speculation that a North-South summit is imminent. Yu asserted that Kim Jong-il (KJI) would visit China in late January or early February; the North Korean leader needed both Chinese economic aid and political support to stabilize an “increasingly chaotic” situation at home. An unspecified number of high-ranking North Korean officials had recently defected to the ROK, according to Yu. The foreign minister thanked King for his willingness to press the PRC on the treatment of North Korean refugees. Yu said the ROK would provide “significant” food aid to the DPRK if Pyongyang asked for it and agreed to monitoring. The ROK also planned to help fund work by NGOs to combat TB and multi-drug-resistant TB in the North, which has spread widely within the DPRK’s chronically malnourished population. At a lunch following the meeting, Seoul’s point man on DPRK issues, Ambassador Wi Sung-lac, reiterated the FM’s call for U.S. help in persuading China to go easier on North Korean refugees. Wi also thanked Ambassador King for his willingness to keep the ROK updated on discussions between the American Red Cross and its DPRK counterpart regarding potential reunions between Korean-Americans and their North Korean kin.

End summary.

FM Yu on: Prospects for North-South Summit...

2. (C) During a January 11 meeting with Special Envoy for North Korean Human Rights Issues Robert King, Foreign Minister Yu Myung-hwan downplayed press speculation that a North-South summit is imminent. The ROK was discussing the issue with the DPRK, Yu said, noting that there were two major Blue House preconditions: the nuclear issue had to be on the agenda and the ROK would not pay the North to hold a summit. Yu speculated that it would “take some time” for the North Koreans to “digest” the preconditions.

Rumors of a KJI Visit to China...

3. (C) Yu asserted that Kim Jong-il (KJI) would visit China in late January or early February. The North Korean leader had visited the PRC twice before in that timeframe, Yu related, adding that KJI needed both Chinese economic aid and political support to stabilize an “increasingly chaotic” situation at home. In particular, FM Yu claimed that the North’s botched currency reform had caused “big problems” for the regime and that the power succession from KJI to Kim Jong-eun was “not going smoothly.” Moreover, Yu confided, an unspecified number of high-ranking North
Korean officials working overseas had recently defected to the ROK. (Note: Yu emphasized that the defections have not been made public. End note.)

Pressuring Beijing on Refugees...

4. (C) Yu thanked Ambassador King for stating that he intended to work closely with the ROK on the issue of improving human rights conditions in North Korea. Yu also expressed appreciation for Ambassador King's willingness to engage the Chinese on the issue of North Korean refugees. Yu said he has repeatedly raised the matter with PRC FM Yang, only to get a boilerplate response emphasizing that North Koreans in China are economic migrants. Yu claimed that the number of North Koreans fleeing into China continues to increase; 2,952 North Koreans made it to the ROK in 2009 and more than that are expected in 2010. Yu noted that at least 80 percent of the refugees who come to the South are women, adding that they are often abused by human traffickers. Yu added that he was skeptical that the DPRK would engage in dialogue with the EU about human rights.

and Humanitarian Assistance to the North

5. (C) Responding to a question from Ambassador King, Yu said the North Korean grain harvest was approximately 4 million metric tons (MMT), which was better than expected but still short of the 4.5 MMT the regime needs to ensure stability. (Note: The official ROKG estimate is that the DPRK harvest was approximately 5 MMT. End note.) Given the North's chronic transportation and storage problems, there would be starvation "here and there" during the spring, Yu lamented. The foreign minister said the ROK would be willing to provide "significant" food aid to the DPRK if Pyongyang asked for it and agreed to monitoring. The ROK would not, Yu said, simply give the North a huge amount of grain. Any aid would be given in small amounts, he stressed. The foreign minister also said the ROK would help fund work by NGOs to combat multi-drug-resistant TB in the North, which has spread widely within the DPRK's chronically malnourished population.

Follow-On Lunch with

6. (C) At a lunch following the meeting with reiterated the FM’s call for the United States to

7. (C) thanked Ambassador King for his willingness to keep the ROK updated on discussions between the American Red Cross and its DPRK counterpart regarding potential reunions between Korean-Americans and their relatives in North Korea. said that North Korea has made only token efforts to support North-South family reunions and has "reacted badly" to Seoul's repeated calls for the release of the approximately 1,000 abductees and POWs believed to be still held by the DPRK. stressed that Seoul appreciated Ambassador King's effort to keep the family reunion, abductee, and POW issues on the proverbial agenda.
DoS Daily Briefing: **Q:** On North Korea, reported by North Korean military broadcast this morning, North Korea will not be attending the Six-Party Talks unless United States agree peace treaty with the - North Korea. What is the U.S. position on that? **CROWLEY:** Well, I think if you go back to the discussions last month that Ambassador Steve Bosworth and Ambassador Sung Kim had in Pyongyang, I think both sides reaffirmed the importance of the Six-Party process and the significance of the September 2005 joint statement. Now if you go down the joint statement, there are a number of elements outlined there. It talks about denuclearization, the establishment of a peace regime, normalization of relations among all of the parties concerned and economic and energy cooperation. What we’ve made clear is that we are - if North Korea says yes, it comes back to the Six-Party process. If it makes affirmative steps towards denuclearization, then a wide range of other opportunities open up. But the first - the key here is that North Korea has to come back to us, say yes, come back to the Six-Party process, start working on the - its obligations under the joint communiqué - joint statement, and then we are perfectly willing to have other kinds of discussions. … **Q:** But the North Korea demands peace treaty with the United States before the Six-Party Talks begin. [Not so.] What is the U.S. position? You think the Six-Party is -- **CROWLEY:** Our position is that we see - we want to see North Korea come back to the Six-Party process. Remember, if you want to have a negotiation regarding an armistice, we are not the only party to that prospective negotiation. So that’s expressly why we think having a multilateral forum like the Six-Party process is important. So right now, the issue before North Korea is saying yes, coming back to the Six-Party process, and then we can begin to march down the list of issues that we have beginning with the nuclear issue. **Q:** P.J., on North Korea, the statement also says that they want the U.S. to drop all sanctions [?], or they want the international community to drop sanctions before they’ll come back to Six-Party Talks. So I’m wondering, is there any possibility of that and -- **CROWLEY:** We’ve made clear, going back several months, we’re not going to pay North Korea for coming back to the Six-Party process. **Q:** So, no, you’re not going to drop sanctions. So do you see anything in this? Before they come back, is what I mean. **CROWLEY:** Right. … **Q:** So are you still willing to have another bilateral talks with North Koreans to resume the Six-Party Talks or you’re just waiting for them to say okay, we’re coming back? **CROWLEY:** We want to see them say yes, and then set up a meeting, get the process restarted and see what progress can be made. **Q:** So are you prepared to reach out to them and say, okay, why don’t we have another bilateral talks? **CROWLEY:** Well, I mean, I think when we left Pyongyang last month, I think it’s our view the ball is in North Korea’s court. We’d like to see them say yes. We’d like to see a Six-Party meeting take place. I won’t predict at this point - there are a number of ways of getting that done.” (DoS Daily Briefing, Assistant Secretary Philip Crowley, January 11, 2010)
and actively advance denuclearization of the Korean peninsula,” Choe told a small group of reporters, speaking through English and Chinese translators. “Only if the sanctions on the DPRK -- these barriers expressing discrimination and distrust -- are removed can the six-party talks resume,” said Choe. “If the sanctions on the DPRK are lifted, then the six-party talks can resume immediately. The key word is immediately.” (Chris Buckley and Benjamin Kang Lim, “North Korea Digs in on U.S. Peace Talks Demand,” Reuters, January 12, 2010)

South Korea’s Red Cross chief proposed talks with its North Korean counterpart quickly on resuming reunions of families separated by the Korean War. “It is important to help aging people who are part of separated families to realize their dream of reunion,” Yoo Chong-ha said in an interview with Yonhap. “I will make my best effort to have this issue discussed even before the governments of the two Koreas restart dialogue. The issue of family reunions is something to be pursued separately from political and governmental talks.” (Yonhap, “S. Korea’s Red Cross Proposes Talks with N. Korea on Family Reunions,” January 12, 2010)

1/13/10 Bosworth: “Anytime that the U.S. is not somehow engaged with North Korea, the likelihood that they will do irresponsible things goes way up. ...The North Korea delegation agreed with us that the six-party process is of fundamental importance to them as well as to the other participants. They agree on the essential importance of the Joint Statement of September 2005. ...We did not, however, reach agreement on when and at what point the six-party process might recommence. ...The letter [from Obama to KJI] said nothing that I was not saying personally and directly and publicly. So it is not secret diplomacy. It is simply an effort to make sure that at the very top of North Korea that it is understood what our approach is, what our goals are, and how we would, in very general terms, like to proceed.” (Transcript of speech at KEI, Stephen Bosworth, January 13, 2010, Washington)

The government prepared an integrated “contingency plan (emergency plan)” to prepare for a rapid change situation in North Korea, under the code name “Revival [puhu’ng],” at the end of last year. This emergency plan, which appears to have been prepared along with “Operation Plan 5029,” a provision between the ROK and the United States for a rapid change situation in North Korea, is reportedly in the nature of an “integrated manual” at the government level jointly participated by the Ministry of Unification and the National Intelligence Service, unlike in the past. A government source said “it is known that the government began the work of preparing a ‘contingency plan’ centered around the National Intelligence Service and others since autumn of last year, and it was almost completed at the end of last year.” It was learned that the government prepared an emergency plan for this under the code name of “Revival” at the end of last year, even bringing in research organizations for [formulating] national policy such as the Institute for National Security Strategy and the Korea Institute for National Unification. The name, “Revival,” symbolizes a North Korea development plan that the Lee Myung-bak government’s “Denuclearization, Opening, 3000 Initiative” plan contains, and it is interpreted as having the same way of handling matters as the “Marshall Plan.” It was learned that the “Revival” plan contains administrative measures for emergency ruling of North Korea in case the North Korean
system collapses, just like the “Ch’ungmu 3300” and “Ch’ungmu 9000” which had been prepared under the Kim Young-sam government. At the time, the “Ch’ungmu” plans were emergency plans prepared as the “rumor of North Korea’s collapse” spread within the country after North Korea’s President Kim Il Sung died in 1994. In addition, the distinctive character of the “Revival” plan is that it has integrated divided emergency plans into a single plan at the government level. Another government source said “it is known that the Ch’ungmu plans had already been discarded, and an integrated emergency plan has been newly established instead.” (Sin Po-yong, “ROK Government” Made Assistance Plan for Rapid Change Situation in North, Code Name ‘Revival,’“ Munhwa Ilbo, January 13, 2010)

1/14/10

North Korea proposed talks January 26-27 with South Korea on resuming joint tours to its scenic mountain and a historic border town that had been suspended after inter-Korean ties unraveled in 2008. The proposal came a day after the North agreed to hold a meeting with the South next week on ways to improve their joint industrial park in Kaesong. The tour to Mount Kumgang on the east coast was suspended in July 2008 after a South Korean tourist was shot dead by a North Korean soldier after wandering into a restricted area near the resort. The tour to the North Korean border town of Kaesong near the west coast was also suspended in November of the same year. “It is very regrettable that tour of Mt. Kumgang and the area of Kaesong has been suspended for one and a half years,” North Korea said in its message to South Korea, according to KCNA. UnifMin spokesman Chun Hae-sung confirmed the proposal was made by the Korea Asia-Pacific Peace Committee, which oversees inter-Korean businesses for North Korea. Another official, who declined to be named because the proposal was under review, said his government was likely to accept it. “It’s a positive move, and we will consider it positively,” the official said. (Sam Kim, “N. Korea Proposes Talks with S. Korea on Resuming Joint Tours,” Yonhap, January 14, 2010)

National Assembly Vice Speaker Lee Yoon-Sung: “Even if the Six-Party Talks were to be resumed, North Korea will likely pursue practical interests while demanding political and economical compensation, rather than resolving the nuclear issue. Even if negotiations were to begin, North Korea may be expected to assume a double stance where it will probably continue its nuclear development in secrecy while trying to acquire a stronger position as a nuclear state. Therefore, North Korea may try to come up with an excuse to refuse returning to the Six-Party Talks while demanding the conclusion of a peace treaty with the U.S., or it may try to shake the cooperation between South Korea and the U.S., and other parties. As mentioned above, regardless of North Korea’s intention, we are in a situation where we are unable to confirm any fundamental change to North Korea’s attitude towards the nuclear issue. … The two leaders [Obama and Lee] wholly agreed that we must break away from the pattern of the past where North Korea indulged in provocative actions and then returned to the Six-Party Talks to reap concessions. It was also agreed that we needed a comprehensive solution in the form of a ‘Grand Bargain’ as was proposed by President Lee Myung-Bak. The main concept of President Lee’s ‘Grand Bargain’ is that we reach a single, comprehensive agreement that includes complete denuclearization measures by the North and responsive measures by the five parties (including security assurance to the North, normalization of relations and economic assistance) in order to achieve complete nuclear dismantlement.
…, North Korea is trying to discuss only economic cooperation issues with the South, and leaving political and security issues, including the nuclear issue, to discuss solely with the U.S. Such attitude is unrealistic, and unacceptable from a national perspective. **We must establish a body for permanent inter-Korean dialogue, so that we can directly discuss all issues, including the nuclear issue with North Korea.** If the North proves its decision to abolish its nuclear programs, we will take on measures that will help North Korea to overcome its economic difficulties and dramatically improve inter-Korean relations.” (Lee Yoon-sung, speech at SAIS, January 14, 2010)

North Korea will allow more tourists from its arch-foe the US to visit this year, seeking alternative sources of hard currency as sanctions bite deeper. North Korea at present allows US groups to visit only for the Arirang mass games, but Pyongyang has said that it will also allow visits throughout the rest of the year, according to Simon Cockerell of Beijing-based Koryo Tours, which says it escorts about 80 per cent of US travelers. (Christian Oliver, “North Korea to Allow More U.S. Visitors,” Financial Times, January 15, 2010, p. 1)

Japanese FM Okada Katsuya met his South Korean counterpart Yu Myung-Hwan ahead of a two-day meeting of top diplomats from East Asian and Latin American countries, a Japanese MOFA official said. During the talks, Okada and Yu said their countries will “never allow” Pyongyang to go ahead with nuclear and missile development, and agreed not to accept any plan to lift sanctions immediately, the official said. They agreed that stalled six-party nuclear disarmament talks must resume first, and “confirmed the importance of urging (North Korea) to take concrete and forward-looking action,” the official said. “Minister Yu said it’s important to maintain a two-track approach -- opening the window of dialogue and carrying out sanctions firmly -- and Minister Okada replied that he agreed on it,” the official added. (AFP, “Japan, S. Korea Rebuff N. Korea Peace Proposal,” January 15, 2010)

DPRK National Defense Commission spokesman: It was reported by foreign press that the South Korean authorities recently worked out what they called “Emergency Ruling Plan-Puhung” to cope with a sort of “emergency” in the DPRK. The South Korean newspaper Munhwa Ilbo on January 13 did not bother to open to media the plan reportedly worked out by tricksters of the South Korean “Ministry of Unification” handling issues of the inter-Korean relations and the “National Intelligence Service” in top secrecy from the autumn last year to its end. This provocative plan reportedly puts into a concrete form the contents of the vicious scenario for toppling the system in the DPRK. After classifying the categories of “emergency” which is unimaginable in the DPRK and can never happen here into “incident,” “coup d’etat,” “revolt of inhabitants” and others the plan calls for deliberately “fostering and hyping them to the maximum” with an aim to bring down the dignified socialist system in the DPRK and putting into force even “administrative measures” to cope with them. **The “Emergency Ruling Plan-Puhung” is a plan for bringing down the socialist system in the DPRK unilaterally worked out by the South Korean authorities while the already publicized “OPLAN 5029” is a scenario for toppling the system in the DPRK jointly drafted by the American master and his stooge with an aim to bring it to a “collapse.”** The army and people of the DPRK regarded from the outset the improved
north-south relations and the resumption of dialogue touted by riff-raffs of South Korea including its chief executive as sheer hypocrisy and have followed their rhetoric with vigilance without even a moment’s slackness. They did so because it was none other than the South Korean authorities who have played a double game since they designated fellow countrymen as “a principal enemy,” insisting on the cooperation with outsiders even today when the desire and demand of the Koreans for peace and reunification are growing strong throughout Korea. Looking back on history, no sooner had the South Korean authorities come to power than they negated the two historic declarations, gains common to the nation, and cried out for “unification under liberal democracy.” They unhesitatingly cried out for even “preemptive attack on the north” while kicking up an “anti-north human rights racket” and anti-DPRK psychological campaign.

Under the prevailing grave situation, the National Defense Commission of the DPRK responsible for the security of the socialist system in the DPRK and its defense, is authorized to clarify internally and externally the iron will and tough stand of the army and people of the DPRK as follows: 1. The South Korean authorities should immediately disband the present “Ministry of Unification” and the “National Intelligence Service” of south Korea, the architects of the treacherous, anti-reunification and anti-peace “Emergency Ruling Plan-Puhung,” and promptly take due measures to severely punish the prime movers of the said reckless plan for confrontation at the nation’s trial. It is the steadfast stand of the army and people of the DPRK that there can be neither national reconciliation and cooperation nor improved inter-Korean relations as long as such plot-breeding mechanisms as the present “Ministry of Unification” and the “National Intelligence Service” are left intact in south Korea. 2. Once the reckless provocative plan of the South Korean authorities to bring down the supreme headquarters of our revolution and the dignified socialist system is completed and put into practice, there will start a sacred nationwide retaliatory battle to blow up the stronghold of the South Korean authorities including “Chongwadae” that have led the drafting of the plan and backed it. This battle will be a nationwide and all-out just struggle with all the fellow countrymen in the north and the south and abroad including our revolutionary armed forces. 3. The South Korean authorities should bear in mind that they will be thoroughly excluded from all the forthcoming dialogues and negotiations to improve the inter-Korean relations and ensure peace and stability on the Korean Peninsula unless they make sincere apology for the crimes committed against the DPRK before the whole nation. They should clearly understand that whoever incites distrust and confrontation, instead of working for national reconciliation and cooperation, and seeks war and division, not peace and reunification, is fated to meet a merciless punishment by the strong revolutionary army of Mt. Paektu. (KCNA, “Spokesman for NDC of DPRK Warns S. Korean Authorities of Anti-DPRK Operation,” January 15, 2010)

A rare statement by the National Defense Commission, North Korea’s top decision-making body, may herald a deep freeze in inter-Korean ties and a further delay in resuming nuclear disarmament talks, analysts said. The North threatened to break off all dialogue with South Korea unless Seoul apologizes for allegedly drawing up a contingency plan for handling regime collapse. The NDC, which is headed by leader
Kim Jong-il, denounced the alleged plan as a “crime,” vowing to stage a “holy war” against those responsible for it, blaming Seoul’s presidential Blue House. Unconfirmed South Korean news reports say officials have a blueprint to administer the North in the event of regime collapse, a coup or a popular uprising there. The NDC said the “Emergency Ruling Plan” is aimed at bringing down the North’s socialist regime and was worked out by South Korean authorities to complement a joint US-South Korea military operation to overthrow the regime. Unless Seoul apologises, it will be “thoroughly excluded from any dialogue and negotiations aimed at improving inter-Korean ties and securing peace and stability,” it said. The NDC statement perplexed South Korean authorities, coming only hours after Pyongyang’s Red Cross authorities said they would accept food aid, which the North had shunned for two years as political tensions with the South rose. “We find it deeply regretful that North Korea took a threatening stance toward us, based on some unconfirmed media reports,” UnifMin spokesman Chun Hae-Sung said. (AFP, “North Korea Ends Peace Initiative toward South Korea, Say Analysts,” January 16, 2010) Kim Yeon-cheol, head of the Hankyoreh Peace Institute, said, “North Korea’s statement should be interpreted as a comprehensive evaluation of inter-Korean relations by North Korea from last August through now.” Kim expressed his anticipation for inter-Korean relations in saying, “Inter-Korean relations are entering a new tough season.” Regarding North Korea’s recently mixed attitude, former Unification Minister Chung Se-hyun said, “Conflict will arise between military authorities and the united front line, which has thus far maintained power on inter-Korean affairs.” Chung, however, also said, “In the end, the military leadership’s hard-line policy will win out over the united front line’s conciliatory policy.” (Hankyore, “N. Korea Issues Strong Response to Reported S. Korean Contingency Plan,” January 16, 2010)

Japanese Foreign Minister Okada Katsuya told his Chinese counterpart Yang Jiechi on Sunday in Tokyo that Japan will take “certain” action if China goes against a bilateral accord to jointly explore gas resources in the East China Sea, a Japanese Foreign Ministry official said. Yang expressed strong opposition to Okada, who suggested that Japan may start development on its own in the area if China moves ahead with gas production on one of the disputed gas fields, known as Shirakaba in Japan, according to a ministry source. The heated exchange came after more than a year has passed without the two countries starting negotiations toward concluding a treaty to implement the 2008 agreement, while China irritated Japan last summer with vessels cruising around Shirakaba. On North Korea’s nuclear issues, Okada asked China to work toward bringing Pyongyang back to the six-party denuclearization talks “unconditionally” and Yang was quoted as telling him that China, the chair of the multilateral talks, will try to get the talks resumed soon. (Kyodo, “Japan to Take Action If China Violates E, China Sea Project Accord,” January 17, 2010)

Kim Jong-il has inspected a joint training of military forces, the country’s official media reported, two days after the communist state threatened to attack South Korea over its contingency plan. “The supreme commander acquainted himself with the units’ performance of duty and mounted an observations platform to watch servicemen in training,” KCNA said, without specifying the inspection date. “Training was to defend our socialist state from invaders.” It is the first time for the reclusive state to disclose
Kim’s inspection of a joint training by the ground, naval and air forces since he became supreme commander of the country’s military in December 1992. (Shin Hae-in, “N. Korea Leader Views Military Drill after Warning,” Yonhap, January 17, 2010)

What initially appeared to be an attempt by North Korea to stall multilateral negotiations on ending its nuclear program may have been an attempt to provide its own excuse to return to the negotiating table, a ranking South Korean official said, noting Pyongyang may soon be ready to return to the nuclear talks. "North Korea said in April that it will completely quit the six-party talks. So there is a view that North Korea may be trying to create an excuse for its return to the six-party talks," the official told reporters in Tokyo at the Forum of East Asia-Latin America Cooperation. (Byun Duk-kun, “North Korea Getting Ready to Return to Nuclear Negotiations: Official,” Yonhap, January 17, 2010)

Seoul has yet to provide full material support for the Proliferation Security Initiative, mostly for fear of unnecessarily aggravating North Korea, sources said. Government officials said there was no need to instigate the North when there was no urgent need to offer material support for the "North Korea is a big factor for our decision. As long as the drills do not occur near the waters we share, the government has yet to feel the need to participate in terms of material provisions,” one official said requesting anonymity. South Korea became a full-fledged PSI member in May. (Kim Ji-hyun, “Seoul Holds Back Full PSI Support,” Korea Herald, January 18, 2010)

1/18/10 DPRK FoMin spokesman: “If the joint statement is to be implemented, the spirit of mutual respect and equality, which keeps the statement vital, should not be violated and there should not be such practice as distorting the order of action, the statement said, and went on: The joint statement calls for ‘harmoniously’ settling the issues of denuclearization, normalization of relations, energy compensation and the establishment of a peace-keeping regime. There is no agreed point that the issue of establishing a peace-keeping regime can be discussed only when denuclearization makes progress. Only the principle of ‘commitment for commitment’ and ‘action for action’ is laid down as the only principle for implementing the joint statement. Taking the situation of the U.S. side into consideration, the DPRK made such magnanimous efforts as keeping the discussion of denuclearization ahead of the debate on the issue of concluding a peace treaty at the Six-Party Talks for more than six years. In 2008 the international community witnessed the blowing up of the cooling tower of the nuclear facility in Yongbyon. The process of denuclearization made such substantial progress that the U.S. stopped applying the Trading with the Enemy Act and de-listed the DPRK as a ‘sponsor of terrorism.’ This notwithstanding, the debate on the conclusion of a peace treaty failed to kick off, consequently pushing back the process of denuclearization. The mode of pushing ahead with denuclearization before discussing the peace-keeping regime ended in failure. The practical experience proved that pushing forward denuclearization in the absence of confidence is just like building a house without a foundation. The DPRK is not opposed to the Six-Party Talks and has no ground whatsoever to delay them. There happened such a thing as taking issue even with the satellite launch for peaceful purposes as there was no confidence among the parties to the talks. A satellite launch has never been considered as problematic among the countries that trust one another. Such extreme
encroachment upon the sovereignty of a country as discriminately taking issue with its satellite launch compelled it to take such self-defensive counter-measure as a nuclear test and the resultant sanctions caused such a vicious cycle of distrust as bringing the Six-Party Talks to a collapse. It is the purport of the DPRK’s proposal for concluding a peace treaty to put an end to such vicious cycle of distrust and build confidence to push forward denuclearization. There will be a starting point of confidence building only if the parties concerned sit at a negotiating table for concluding a peace treaty. **If the Six-Party Talks are to take place again, it is necessary to seek whatever way of removing the factor of torpedoing them. The latest sanctions are not particularly new for the DPRK as it has got used to blockade and sanctions for decades. But if the DPRK goes out for the Six-Party Talks, remaining subjected to the sanctions, such talks will not prove to be equal talks as clarified in the Sept. 19 Joint Statement but the talks between `defendant’ and `judge.’ The dignity of the DPRK will never allow this to happen.** It is nonsensical for the DPRK to sit at the negotiating table with those countries that violate its sovereignty, allowing it to be persistently encroached upon, and discuss with them the deterrent it built to defend its sovereignty. The DPRK will continue to make sincere efforts to persuade the parties concerned into accepting its realistic proposal based on experience and lesson.” (KCNA, “DPRK Foreign Ministry Spokesman on Reasonable Way for Implementing Sept. 19 Joint Statement,” January 18, 2010)

Speaking at a North Korea forum, Minister Yu Myung-hwan said, “North Korea has taken stance that is hard to understand by issuing a statement from a National Defense Commission spokesman that launched serious threats against (South Korea)...while agreeing to accept our humanitarian aid and hold working-level talks on the Kaesong industrial complex.” “North Korea's denuclearization is a subject that cannot be ignored in inter-Korean ties,” he said in his keynote speech. “That is why we have repeatedly said that we will help North Korea overcome its economic crisis and significantly improve South-North ties if North Korea expresses a firm decision to give up its nuclear ambitions.”


South Korea and the United States will not give in to North Korea’s demands in order to resume negotiations on ending the North’s nuclear ambition, saying that this time, they will try to “break” the communist nation’s pattern of brinkmanship, a foreign ministry official said. The ministry official, who is well-informed on the six-party process, noted the North’s demand for the removal of U.N. sanctions is one that could very well further stall the talks, noting the sanctions can only be removed by the U.N. Security Council when it sees progress in North Korea’s denuclearization, as it said in its resolution that imposed the sanctions in the first place. “Maintaining a distance from such practices of ours in the past is our current stance. What the leaders of South Korea and the U.S. said at their bilateral summit last year, too, was that they will stay away from such practices,” the official told reporters. The official was referring to an agreement between South Korean President Lee Myung-bak and his U.S. counterpart, Barack Obama, in June, in which they said the countries will work to “break a pattern” in which North Korea behaves in a belligerent fashion, and if it waits long enough, it is rewarded. “That is to say we have always suffered from such a syndrome, but that it does not mean we always have to,” the official said. The official noted it will take some time before the countries can change the way North Korea behaves. “We will need some time to reach a compromise with North Korea while the
North is waging an international campaign on this issue [of removing the U.N. sanctions]. And we do not know how much time will be needed," he said, asking not to be identified due to the sensitivity of the issue. South Korea's nuclear negotiator, Wi Sung-lac, is scheduled to visit Washington this week for discussions with his U.S. counterparts on ways to bring North Korea back to the nuclear negotiations, ministry officials said. (Byun Duk-kun, “N. Korea, U.S. Out to Break North Korea’s Pattern of Belligerence: Official,” Yonhap, January 20, 2010)

Trade between South and North Korea plummeted 8.5 percent in 2009 compared to the year before, recent data show. The Korea Customs Service said inter-Korean trade totaled around US$1.7 billion last year, down from $1.8 billion in 2008. Outbound shipments were valued at $733 million and imports at $933 million amounting to a $200 million trade deficit, the highest since inter-Korean trade began in 1999. (Chosun Ilbo, Inter-Korean Trade Drops in 2009,” January 19, 2010)

Despite lingering tension after North Korea threatened to mount a “sacred” battle against South Korea, officials from the divided countries sat down Tuesday at a joint industrial complex in the North and held talks on ways to revamp its operation, the Unification Ministry said. The two-day talks in the North Korean border town of Kaesong marked the first official contact this year between the sides. “The first day of talks is moving in a serious and practical mood,” UnifMin spokesperson Chun Hae-sung said of the meeting that began shortly after 2:00 p.m. (Yonhap, “Divided Koreas Hold Talks on Industrial cooperation amid Tension,” January 19, 2010) South and North Korean officials met in a perfectly civil atmosphere. “North Korean officials neither accused nor threatened South Korea,” the Unification Ministry said. A researcher at a government-funded think tank speculated the North is apparently backing down “to pursue practical interests.” A ministry spokesman said the two sides discussed “practical matters for the development of the Kaesong industrial park. There was no mention of other issues.” South Korean officials brought up the issue of easier travel, communications and customs for South Korean staff at the industrial park, while North Koreans reportedly focused on wages and construction of a dormitory for North Korean workers. Pyongyang earns W30-40 billion (US$1=W1128) from the industrial park per year. (Chosun Ilbo, “No Talk of Battle at Inter-Korean Meeting,” January 20, 2010) Representatives from the two countries had met a day earlier in the North Korean border city of Kaesong and held “useful talks while brainstorming ideas for improving the industrial complex“ there, ministry spokesperson Lee Jong-joo said in a briefing. “Based on the ideas put forth yesterday, the two sides are having a comprehensive discussion on their proposals for the improvement of the Kaesong complex,” she said. She later told reporters that the talks were extended by a few hours as the agenda, including the arrangement of future meetings, demanded longer discussions. (Yonhap, “Divided Koreas Hold Talks on Improving Joint Industrial Park,” January 20, 2010) North Korea made a last-minute agreement to a South Korean proposal for additional talks on February 1 on improving operations at a joint industrial park in the communist state. “The North Korean side accepted our proposal right before our delegation left Kaesong, just as we were bidding farewell” this morning, chief South Korean delegate Kim Young-tak said in a briefing. (Yonhap, “Koreas Agree to Meet Again Feb. 1 over Industrial Park,” January 21, 2010) Following the scheduled sessions that were supposed to end yesterday afternoon, the two sides had further talks that lasted past midnight as they wrangled over
the agenda for the February meeting. Kim Young-tak, the head of the South Korean delegation, said his team proposed that the meeting first address facilitating cross-border trips and communications for South Korean workers and building residences for North Korean workers. The North countered that in addition to these matters, the wage issue should be on the table. “The North Koreans didn’t give specific figures for wages,” Kim explained in a press briefing yesterday in Seoul. “At this point, we don’t know whether they will bring that up again on Feb. 1.” More than 100 South Korean companies employ about 42,000 North Koreans at the complex. (Yoo Jee-ho, “North Agrees to February Kaesong Plant Meeting,” January 21, 2010)

1/20/10

Defense Minister Kim Tae-young told a defense forum. “We would have to strike (North Korea) right away if we detected that it has a clear intention to attack (South Korea) with nuclear weapons.” (Shin Hae-in, “S. Korea Will Launch Preemptive Strike in Case of Imminent Attack: Minister,” Yonhap, January 20, 2010)

An estimated 200,000 North Koreans are in six prison camps in the communist country and those inmates are under constant threat of public execution, rape and torture, the National Human Rights Commission (NHRC) reported. Of six prison camps in the North, four are for inmates who have been given life sentences, the report said. Interviewees who had been in the camps said the authorities arrested them without warrants and put them there without trials. The commission recommended that the government address the appalling human rights conditions in the prison camps as a policy priority. The report by the Database Center for North Korean Human Rights at the request of NHRC was based on accounts of 322 North Korean refugees who defected to South Korea after 2006. Of them, 17 had experienced the concentration camps as either inmates or guards, and another 32 went through repatriation to the North after failed attempts to flee the North. According to the Ministry of Unification, about 1,000 North Koreans defected to the South in 2001 — the figure rose to 2,018 in 2006. About 2,800 North Korean defectors settled in South Korea in 2008. (Kang Hyun-kyung, “200,000 Are in Six Prison Camps in North Korea,” Korea Times, January 20, 2010) The report is South Korea’s first assessment of human rights abuses in North Korea and marks a significant shift in the South’s approach toward the North. (Chosun Ilbo, “Seoul Breaks Silence on N. Korea’s Human Rights Abuses,” January 22, 2010)

North Korea will establish a state development bank which will deal with international financial organizations and commercial banks and invest according to state policies, KCNA reported. The decision was made by the powerful National Defense Commission, which is headed by leader Kim Jong-il. It will also set up an international cooperation agency called the Korea Daepung International Investment Group to take charge of attracting investment for the bank. KCNA claimed the bank has “modern financial rules.” Kim Yang-gon, the director of the Workers’ Party’s United Front Department in charge of inter-Korean relations, has been named chairman of the Korea Daepung Investment Group, and Pak Chol-su vice chairman. A North Korean source said Pak is a Korean businessman who resides in China and maintains relations with South Korean officials and businessmen. He apparently once arranged a secret inter-Korean meeting. Pak is also believed to have been involved in a secret meeting held between Labor Minister Yim Tae-hee and Kim Yang-gon in Singapore last
October. Kim is a board member, as are seven officials from the NDC and cabinet. Rumor has it that Jang Song-taek, Kim Jong-il’s brother-in-law and the director of the Administrative Department of the Workers’ Party, is also on the board of directors. *(Chosun Ilbo,* “N. Korea to Establish State Development Bank,” January 21, 2010; Kwak Youngsup, “North Korea’s Establishment of Development Bank,” *Vantage Point,* April 2010, pp. 18-21)

WikiLeaks cable: “C O N F I D E N T I A L USUN NEW YORK 000028 1/20/10 SUBJECT: DPRK: EXPERTS INVESTIGATE SANCTIONS VIOLATIONS, REQUEST INFO ¶1. (C) SUMMARY AND ACTION REQUEST: The Panel of Experts (POE), a team mandated in UNSCR 1874 to help monitor and improve implementation of UN sanctions on North Korea, has launched investigations into the four sanctions violations reported to the Security Council’s DPRK Sanctions Committee (“1718 Committee”). The team is entering a make-or-break period: it has only three months or so to wrap up its investigations in time to finish its final report due in May 2010. The POE plans to submit to the Committee an “incident report” for each violation that will lay out relevant facts, analysis and recommendations for actions the Committee may take in response. To aid its work, the POE will travel to key capitals, mostly in Asia, in January and February. The POE has requested that “friendly governments” supply them with more information and leads to aid these and other investigations. USUN requests that Washington consider favorably the POE’s request for more information. END SUMMARY AND ACTION REQUEST. ¶2. (C) Halfway through its year-long mandate, the UN Panel of Experts (POE) -- a seven-person independent team mandated by UNSCR 1874 to monitor the enforcement of UN sanctions on North Korea and recommend ways to improve their implementation -- has launched investigations into the four sanctions violations reported to the Security Council’s DPRK Sanctions Committee (“1718 Committee”). These investigations will occur during a critical make-or-break period for the Panel: it must complete its investigations in the first three months of 2010 in order to be able to finish its final report due to the Council in May 2010. The POE’s work in this short window will be an important factor in whether the Council decides to renew the POE’s mandate in June 2010. …¶7. (C) POE Coordinator David Birch (UK) briefed mission experts on the state of play of the four sanctions violations reported to the 1718 Committee in 2009: -- "ANL Australia" (a violation reported by the UAE in August 2009 involving the transfer of arms-related materiel from Iran to the DPRK): Birch explained that the POE had engaged the UAE mission in New York and was waiting for a formal visit to inspect the cargo, preferably in January. The UAE authorities, he said, may wish for the POE to be present when the cargo is destroyed. The POE has also been analyzing additional information supplied by Member States in the fall in response to requests from the Committee regarding the incident. -- "MS Rachele" (a violation reported by South Korea in October involving the transfer of chemical warfare protection suits from the DPRK to Syria): Birch reported that the POE had inspected the suits on a December visit to the South Korean port of Busan. He noted that although some Committee members believed that the protection suits did not constitute "arms-related materiel" for the purposes of UNSCR 1874, the team’s visit to South Korea had uncovered facts that supported the conclusion that these suits were primarily for military use. The POE has begun drafting an incident report, but is still negotiating the language with the Russian/Chinese
experts who believed the items had a plausible civilian use. -- Thai air seizure (a violation reported by Thailand in December 2009 involving the transfer of arms from the DPRK aboard an aircraft): Birch said that the POE was also waiting on an invitation to visit Bangkok to inspect the items. The POE hoped to schedule this trip in late January, but was frustrated that the Thai mission, which seemed unclear about what they should do in the aftermath of this incident, had not yet extended a formal invitation. Mission representatives agreed to prod the Thais to issue one soon. At the same time, the 1718 Committee is poised to send letters to all the states involved in the incident requesting additional information and cooperation with the POE.-- Luxury yachts (a violation reported by Austria in December involving the DPRK’s attempt to procure yachts, which are a "luxury good" banned for export under UNSCR 1718): Birch said the report from Austria illustrated the need for the Committee to help states define what “luxury goods.” He said the POE had already detected a wide disparity in national practice regarding the implementation of this provision. In addition to engaging with the Austrians and the Italian authorities who later seized the yachts the POE is now working on draft guidance on the definition of "luxury goods" that the Committee may wish to publish on its website. ¶10. (C) ACTION REQUEST: USUN recommends that Washington consider seriously the POE request for more information or leads that might help focus the team's efforts. The regular provision of such information could significantly improve the POE’s ability to support better enforcement of the UN sanctions imposed on North Korea. END ACTION REQUEST.

1/22/10 North Korea changed a law regarding its northeastern Rason special economic zone in an apparent move to attract more foreign investment, including from South Korea, a government official said on March 13. The Seoul government has confirmed the revision, which includes a clause that says the North will allow “Korean compatriots living outside the Democratic People's Republic of Korea (DPRK)” to be engaged in economic and trade activities in the communist state’s first free trade zone, set up in 1991, the official said on condition of anonymity. The North had banned South Korean investors from Rason in a 1999 revision. Under the latest revision, the reclusive state will lower tax rates and simplify administrative procedures for foreign investors who want to establish branch and agent offices there, the official said. The revision took effect January 27 when Pyongyang upgraded the status of Rason to a special city, he said. The official anticipated that South Korean firms would do business in the zone, saying the latest revision is a positive sign of North Korea opening its doors to outside world. (Jung Sung-ki, “N. Korea to Attract S. Korean Investment in Rason,” March 14, 2010)

1/24/10 Japan and four other countries involved in the six-party talks on North Korea’s nuclear disarmament have reached a basic agreement to make a new joint proposal to Pyongyang if it returns to the stalled negotiations. The new proposal will include concrete steps to realize the commitments made in a joint statement in September 2005. The Obama administration has held discussions with the four countries and obtained their approval to enhance the measures stipulated in the 2007 joint document, in an attempt to entice North Korea back to the six-party talks, the sources said. North Korea reportedly hoped to make conclusion of a peace treaty with the
United States a condition for reviving the dormant negotiations, while Washington is considering including conclusion of a peace treaty in the new proposal along with denuclearization of the Korean Peninsula and economic assistance for North Korea, the sources said. (Honma Keiichi, “Basic Deal Reached on Luring N. Korea Back to Six-Party Talks,” Yomiuri Shimbun, January 25, 2010)

South Korea’s top negotiator over North Korea’s nuclear program hinted at a slight change in Seoul’s position on talks for a peace treaty with the communist North, saying such dialogue could be held in parallel with the nuclear negotiations. Returning from a trip to Washington, Wi Sung-lac said, “Once the denuclearization process gains driving force, we can start discussing the two separate issues at the same time.” Seoul earlier said such talks could only be held after North Korea returns to the six-way talks on ending its nuclear ambitions and takes denuclearization measures. Wi said his country will hold the nuclear talks and negotiations for a peace treaty simultaneously “in a way that they do not clash with each other, but create a synergy that will mutually help the other.” (Yonhap, “Seoul’s Nuclear Envoy Hints at Early Start of Talks on Peace Treaty with N. Korea,” January 25, 2010)

KPA General Staff spokesman’s statement: blasted “the outbursts about ‘preemptive strike’ let loose by the south Korean puppet defense minister which have created such grave situation under which the tragic June 25 war may repeat itself on the Korean Peninsula at any moment. ...The defense minister, addressing an open seminar titled ‘Defense reform and prospect of inter-Korean relations’ held on January 20, blustered that south Korea would mount a ‘preemptive strike’ if necessary to cope with the ‘nuclear threat’ from the north, adding that ‘such stand’ of the south Korean puppet army is ‘invariable.’ At a ‘National Assembly confirmation hearing’ for informally designating the chairman of the puppet Joint Chiefs of Staff held in March 2008, he blared that south Korea would make a ‘preemptive strike’ at the nuclear bases in the north with precision guided missiles. The above-said reckless remarks about ‘preemptive strike’ openly made by the guy once again upon assuming the post of defense minister are by no means gaffes but fully reflect the will of the south Korean puppet authorities displeased with the process for improving the inter-Korean relations, the statement said. The KPA General Staff re-clarifies the principled stand of our revolutionary armed forces to cope with the grave situation, the statement said, and went on: Our revolutionary armed forces will regard the scenario for ‘preemptive strike’ which the south Korean puppet authorities adopted as a ‘state policy’ as an open declaration of war. They will take prompt and decisive military actions against any attempt of the south Korean puppet authorities to violate the dignity and sovereignty of the DPRK and blow up the major targets including the commanding center. Steadfast is our stand to improve the inter-Korean relations on the basis of the historic June 15 joint declaration and the October 4 declaration and pave the way for national reunification, but we will never remain a passive onlooker to the moves of the puppets to escalate the confrontation with the DPRK. Those seeking to realize their daydream will not be able to escapre an unimaginably miserable fate, warned the statement.” (KCNA, “KPA General Staff Blasts S. Korean Defense Minister’s Outbursts,” January 24, 2010)
South Korea proposed holding talks with North Korea early next month to discuss ways to resume suspended tourism programs to the communist nation's Mount Kumgang and Kaesong city. An official at Seoul's unification ministry said, “The government proposed holding working-level talks on Mount Kumgang and Kaesong tourism programs on Feb. 8 in a message signed by the unification minister to Kim Yang-gon, director of the Central Committee of North Korea's Workers' Party.” Seoul, meanwhile, rejected North Korea's proposal to hold immediate military talks over border restrictions, saying the talks should come after the discussions on their joint venture are concluded. North Korea had last week proposed holding military talks on January 26 to discuss restrictions hindering South Korean transportation and communications in and out of a joint factory park in Kaesong. (Yonhap, “Seoul Proposes Talks with N. Korea over Suspended Tour Program,” January 25, 2010)

North Korea has declared “no-sail” zones off the peninsula's west coast, a possible indication that the regime is readying for a missile test in the area. “The North declared the no-sail zones in the waters south of the NLL in the Yellow Sea,” said a South Korean official. The Northern Limit Line is the de facto maritime border between the two Koreas. “We have activated close surveillance to see if the North’s no-sail zone declaration is a part of its winter military training or a preparation to test-fire a short-range missile,” the official said. According to the source, two areas near the South's Baeknyeong Island were designated by the North as no-sail zones from Monday until March 29. The no-sail zones include both Koreas' waters. It is the first time that the North included the South Korean waters in the no-sail zones, a possible indication that Pyongyang is attempting to challenge the Northern Limit Line using a new tactic. One of the two areas is where the two Koreas had a naval skirmish two months ago. (Ser Myo-ja and Kim Min-seok, “North Declares Two ‘No-Sail’ Zones in Yellow Sea,” JoongAng Ilbo, January 27, 2010)

The United States will discuss next week South Korea's demand for the right to reprocess spent nuclear fuel to help South Korean firms make inroads into the global nuclear energy market. “I think we will resume some of the discussions next week when I am in Seoul,” Kurt Campbell, assistant secretary of state for East Asian and Pacific affairs, told South Korean correspondents here ahead of his trip to Seoul next week. “But I will anticipate we will be working through this question in the coming weeks or months.” Campbell was discussing a 1974 agreement, valid until 2014, that calls for South Korea to obtain U.S. consent before reprocessing spent nuclear fuel. He said he met with South Korea's Vice Foreign Minister Chun Yung-woo here today to discuss pyroprocessing and other related issues. (Hwang Doo-hyong, “U.S. to Discuss S. Korea's Demand for Nuclear Reprocessing: Campbell,” Yonhap, January 27, 2010)

North Korea’s weapons exports have reportedly dropped 90 percent since the U.N. Security Council slapped unprecedented sanctions on the communist regime last year that included the banning of all arms exports from the country. The Stockholm International Peace Research Institute says even African countries and Vietnam, which used to import small weapons from North Korea, have stopped their transactions with the reclusive country. However, the institute said Iran may still be receiving weapons from North Korea as it has long been a key supplier of missile technology to the
South Korea warned North Korea against military provocations after the North’s firing of about 30 artillery rounds into waters near its disputed western sea border with the South earlier in the day and said the North will be held accountable for any consequences from further actions. “Our military forces will sternly deal with the North’s provocative actions and the North will be held responsible for any ensuing consequences,” the South Korean Defense Ministry said in a statement sent to the North. South Korea also called on the North to immediately scrap a declaration of “no-sail” zones in the South’s western sea area, calling it as a violation of the armistice agreement and non-aggression agreement between the two Koreas, the statement said. The artillery fire lasted from 9:05 a.m. to 10:16 a.m. and the rounds fell on the North’s side of the two maritime areas that the North declared “no-sail” zones yesterday, the official said. (Kyodo, “S. Korea Warns North Following Artillery Fire near Sea Border,” January 27, 2010) North Korea fired artillery rounds toward its disputed sea border with South Korea, prompting a barrage of warning shots from the South’s military and raising tensions on the divided peninsula. North Korea fired about 30 artillery rounds into the sea from its western coast and the South immediately responded with 100 shots from a marine base on an island near the sea border, an officer at the Joint Chiefs of Staff in Seoul said. The North said it would continue to fire rounds. He said the North’s artillery fire landed in its own waters while the South fired into the air. (Hyung-jin Kim, “N.Korea, S. Korea Exchange Fire near Disputed Border,” Associated Press, January 27, 2010) After firing the first batch of about 30 artillery shells in the morning, North Korea began firing again at 3:25 p.m., with dozen more shells landing north of the Northern Limit Line, the de facto inter-Korean maritime border in the west sea. The area is within the boundaries recently declared by the communist state as “no-sail zones,” Seoul’s Joint Chiefs of Staff said. While holding back from immediate counterattacks, the South Korean military said it is “fully prepared to make a military response” should North Korea’s provocations exceed the limit line. “We would have made a counterattack if the shells flew toward the west (of the NLL into South Korean territorial waters), but they landed on the north side,” Lee Gi-shik, a senior JCS officer, told reporters. “We will act upon our exchange fire principles, however, should North Korea cross the line. We are fully prepared for all circumstances and are on high alert.” (Yonhap, “N. Korea Fires Artillery, Ups Tension near Sea Border,” January 27, 2010) North Korea was apparently testing its capability to hit selected targets simultaneously using a variety of artillery pieces. The South Korean military believes North Korea conducted the test on using coastal artillery pieces, multiple rocket launchers and self-propelled howitzers. The North deployed 130 mm cannons (27-34 km range) positioned along its western coast and islands, as well as 240 mm MLRS (approximately 60 km range) and 170 mm self-propelled howitzers (54 km range). The type of maneuver is referred to as “Time on Target,” involving simultaneous volleys of rounds landing on a single target. The shells must hit a target at the same time, so different weapons must be fired at different times, with guns further away from the target firing first. In TOT maneuvers, rounds fall on or near a target at the same time, making the attack more devastating than shells falling at different intervals and reducing the chances of escape. North Korea is said to have
succeeded in hitting its intended targets fairly accurately this time, with the aim being to inflict serious damage on South Korean gunboats in a crisis despite the inability of coastal artillery to deliver precision blows. (*Chosun Ilbo*, “N. Korea Artillery Fire ‘Was Time-on-Target Drill,’” January 29, 2010) UnifiMin Hyun In-taek said the inter-Korean talks will proceed as planned. “We will pay attention to maintaining stability on the Korean Peninsula,” Hyun told reporters on the sidelines of a seminar yesterday. “We will go ahead with the working-level talks in Gaeseong on February 1 as planned.” The minister urged North Korea to “stop raising unnecessary tension and show us trust.” “The government will engage in dialogue with the North with a consistent principle. We will not hurry or step back,” he said. “North Korea is exercising a two-track policy of aggressively seeking economic cooperation and humanitarian aid on one hand while heightening military tension on the other,” said Kim Yong-hyun, professor of North Korean studies at Dongguk University. “The North’s military provocations are obviously a negative sign in inter-Korean relations but are unlikely to affect the upcoming inter-Korean talks”. “By firing (rounds of artillery) in the West Sea, the North seems to have intended to demonstrate that it can always act on its words,” said Professor Kim. “Such military actions may have two purposes. One would be to highlight the dispute over the NLL and stress the importance of a peace treaty ahead of six-party talks and the other to strengthen national solidarity as it prepares for a post-Kim Jong-il era.” (Kim So-hyun, “N.K. Firing Part of Two-Track Strategy,” *Korea Herald*, January 28, 2010)

Obama, State of the Union Address: “Now, even as we prosecute two wars, we’re also confronting perhaps the greatest danger to the American people -- the threat of nuclear weapons. I’ve embraced the vision of John F. Kennedy and Ronald Reagan through a strategy that reverses the spread of these weapons and seeks a world without them. To reduce our stockpiles and launchers, while ensuring our deterrent, the United States and Russia are completing negotiations on the farthest-reaching arms control treaty in nearly two decades. (Applause.) And at April’s Nuclear Security Summit, we will bring 44 nations together here in Washington, D.C. behind a clear goal: securing all vulnerable nuclear materials around the world in four years, so that they never fall into the hands of terrorists. (Applause.) Now, these diplomatic efforts have also strengthened our hand in dealing with those nations that insist on violating international agreements in pursuit of nuclear weapons. That’s why North Korea now faces increased isolation, and stronger sanctions -- sanctions that are being vigorously enforced. That’s why the international community is more united, and the Islamic Republic of Iran is more isolated. And as Iran’s leaders continue to ignore their obligations, there should be no doubt: They, too, will face growing consequences. That is a promise. (Applause.)

C O N F I D E N T I A L SEOUL 000202
SUBJECT: DASD SCHIFFER: KOREAN NATIONAL ASSEMBLY MEMBERS PITCH “SUNSHINE POLICY”, OPCON DELAY, AND ACTION ON FTA
1.(C) Summary: In separate meetings with DASD Michael Schiffer on January 26 and 27, ruling Grand National Party (GNP) and opposition Democratic Party (DP) National Assembly Members affirmed the strength of the U.S.-ROK Alliance and discussed North Korea, wartime OPCON transition, and the KORUS FTA. The DP Members were critical of what they described as the USG’s hard-line policy toward North Korea and urged engagement in the spirit of former President Kim Dae-jung’s "Sunshine Policy".
GNP and DP Members supported delaying OPCON transition, while one DP Member advised that, if not delayed, it must be handled cautiously. GNP Members expressed their frustration at what they described as a lack of good will on the part of the USG in not acting to ratify the KORUS FTA. End Summary. 2.(C) DASD Schiffer hosted DP National Assembly Members Park Jie-won, Park Sun-sook, and Seo Jong-pyo for dinner on January 26. Park Jie-won, currently Chairman of the DP’s Policy Committee, was former President Kim Dae-Jung’s chief of staff and secret emissary to North Korea for arranging the 2000 summit in Pyongyang between Kim Dae-jung and Kim Jong-il. Park Sun-sook was Kim Dae-jung’s press secretary. Seo Jong-pyo is a first-term National Assembly Member and retired General. DASD Schiffer hosted GNP Members Hwang Jin-ha and Cho Yoon-sun on January 27. Hwang Jin-ha, a retired Lieutenant General, is a second-term National Assembly Member and serves on the Foreign Affairs, Trade, and Unification Committee. Cho Yoon-sun is a first-term National Assembly Member, who, before entering politics, was Chief Legal Officer for Citibank Korea. 3.(C) Park Jie-won, though pessimistic that North Korea would ever abandon its nuclear weapons, said the U.S. should normalize relations, discuss a peace agreement, and provide energy assistance to reestablish trust with the North. He said North Korea tested nuclear weapons and missiles because, feeling ignored and “lonely” in the early days of the Obama administration, it was trying to draw America’s attention. Moreover, because, according to Park, the U.S. seemed to be currently preoccupied with fighting terrorism and relief efforts in Haiti, the North could be preparing a new round of provocative acts. The possibility of armed conflict was real, Park said, and the North’s call for peace regime talks was not mere rhetoric. The potential for dialogue existed, but the choice was not North Korea’s; it was up to the U.S. and the other Six Party Talks members to woo North Korea back to negotiation, said Park. Nevertheless, Park said, “I don’t think they will abandon nukes in the final stage. The most they will do is seal the facilities. Then they will want to verify U.S. nuclear capability in the ROK. It is unreasonable.” 4.(C) DASD Schiffer, recounting the history of U.S. efforts to engage North Korea, including President Obama’s offer of an outstretched hand in his inaugural address, told Park Jie-won it would be “absurd” to attribute the development of Kim Jong-il’s nuclear program to North Korea being “lonely”. The choice, DASD Schiffer said, was North Korea’s to make: to walk through the open door of engagement or not. In exchange for verifiably abandoning its nuclear weapons, North Korea would find the U.S. willing to normalize relations, negotiate a peace agreement, and provide aid. DASD Schiffer noted that action for action worked both ways: negative DPRK actions, such as missile launches and nuclear tests, resulted in negative U.S. actions, such as sanctions. He asked what more the U.S. could do to induce North Korea to dialogue, especially given our attempts to engage North Korea had resulted in North Korean provocations. 5.(C) Seo Jong-pyo, representing the conservative wing of the DP, said that North Korea, from the perspective of former President Kim Dae-jung’s “Sunshine Policy”, was South Korea’s brother. But from a security perspective, the retired general said North Korea was the enemy. The strong U.S.-ROK Alliance made ROK engagement with the North possible during the Kim Dae-jung and Roh Moo-hyun administrations, but the North’s 2006 nuclear test was a turning point that revealed the North’s true intentions. “The nuclear issue,” Seo said, “can only be resolved if the regime collapses.” Park Jie-won, who had invited Seo to the dinner, laughed, “He is very conservative.” 6.(C) Park Jie-won said time was of the
essence to strike a deal with Kim Jong-il before he died, because nobody else had the
decision making authority to make a deal stick, and before the North succeeded in
miniaturizing its nuclear weapons. Park emphasized that the Sunshine Policy was the
least expensive method to resolve the nuclear issue with North Korea. DASD Schiffer
noted that rewarding bad behavior set up bad incentives and created a moral hazard,
which would not lead to a successful resolution. The DP, Park added, would welcome
and support a summit between Lee Myung-bak and Kim Jong-il. Park worried about
instability that might result from the North Korean government’s inability to fulfill
expectations it had raised by promising economic improvements by 2012. He said the
currency revaluation was an example of the government’s attempt to regain control of
the economy. The pressure on Kim Jong-il to produce results was immense, he
speculated, making it more likely that his health would deteriorate further. 7.(C) Park
Jie-won, based on recent conversations he had with Chinese government officials, said
China did not take the sanctions against North Korea seriously. China’s position, he
said, was that the South and North should work out their differences like two brothers
but that President Lee was blocking progress. China was worried that if the North’s
nuclear weapons program was not halted, the ROK, Japan, and maybe even Taiwan
would also seek nuclear weapons. The only solution in China’s view, according to Park,
was for the U.S. to engage in dialogue with the North, lift sanctions, give the North a
security guarantee, and provide aid. Park agreed, though, that North Korea was
making the &biggest mistake in a history of mistakes8 by continuing its provocative
actions and rhetoric. He lamented that North Korea was &holding the threat of war8 as
leverage over Seoul. 8.(C) GNP Member Hwang Jin-ha said planning for contingencies
in the North was critical because Kim Jong-il’s poor health and the destabilizing effects
of the sanctions increased the likelihood of contingency situations. Hwang said it was
important to find a way to signal to China and Russia what U.S. and ROK expectations
were “to educate them on how we expect to see things unfold.” 9.(C) GNP and DP
members were nearly unanimous that the planned transition of wartime operational
control (OPCON) to the ROK in 2012 should be delayed. Only DP Rep. Park Sun-sook
said it should proceed, but added that the matter called for careful handling lest it
spark a domestic political crisis in the ROK or, worse, embolden the DPRK to take
advantage of what it might see as an opening. The Korean public, they all said,
believed OPCON transition meant the U.S. commitment to the ROK’s defense was
decreasing. Moreover, 2012 would be a potentially volatile year with presidential and
National Assembly elections in the ROK, a presidential election in the U.S., a Party
Congress and new President in China, and the (likely disappointing) culmination of
North Korea’s effort to become a "strong and prosperous nation". 10.(C) Hwang Jin-ha,
reflecting a broad consensus in the ruling GNP, argued strongly for delaying the
planned transition of wartime OPCON to the ROK in 2012. Hwang said the agreement
between former President’s Bush and Roh to transition OPCON was “like a bad
marriage” with each side hiding its true intentions from the other. The U.S. side,
according to Hwang, saw that it had an opportunity for “strategic flexibility” while for
Roh it was an ill-guided matter of reclaiming Korea’s sovereignty. It was clear, in
hindsight he said, that Roh’s judgment on security matters was deeply flawed because
he did not see North Korea as a threat; he claimed that this flaw remained the basis of
the OPCON transition agreement. Hwang said in light of the current nuclear security
threat in North Korea, taking any unreciprocated act to weaken -- as Hwang saw it --
Korea's security posture would be a mistake. 11.(C) OSD Senior Country Director for Korea Brian Arakelian told Hwang that the process of preparing for OPCON transition had strengthened U.S.-ROK combined defenses and the bilateral assessment of the strategic environment because it had prompted a necessary reevaluation of contingency plans and the desired bilateral assumptions and end-states for the peninsula inherent in those plans. With or without OPCON transition, Arakelian said, the ROK would play a lead role in the event of conflict -- in a manner not accounted for in current plans and command relationships. Preparation for OPCON transition, therefore, had resulted in bilateral plans and alliance structures and arrangements &catching up8 to the reality of today,s security environment -- ensuring the U.S. and ROK were better prepared )- rather than the claim by many that the transition was neglecting consideration of that strategic environment. Representative Cho replied that while valid points, such arguments were difficult to convey to the ROK public. Arakelian further asserted that it was perplexing how the ROK public could be persuaded to support ROK forces deploying to Afghanistan and elsewhere globally, and yet not be convinced of the necessity of the ROK,s lead role in its own defense, or of viewing the ROK,s global commitments in the context of impacts on the combined defense (alluding to the ROK public,s apprehension with U.S. strategic flexibility).

12.(C) DP Members Park Jie-won and Seo Jong-pyo said OPCON transition should be delayed. Seo's opinion was based on his assessment that OPCON transition would harm the ROK's security posture. Park Jie-won, implicitly criticizing the Roh administration, said the ROK's agreement to OPCON transition during the Roh Administration was based on the assumption of a small group of Koreans that it would be better for USFK to leave Korea. That assumption, he said, does not accurately reflect Korean opinion. Rep. Park Sun-sook said that if OPCON transition did not mean that USFK would be “hands off” in a war on the peninsula, then it should proceed as planned, but very quietly and without publicity. 13.(C) GNP Rep. Hwang Jin-ha was critical of the U.S. delay in ratifying the KORUS FTA. Hwang said ratification of the FTA was strategically important because it would send a signal to the region that the U.S.-ROK alliance was strong. GNP Rep. Cho Yoon-sun said that the lack of action in ratifying the FTA would cast doubt on U.S. commitments beyond the economic sphere. 14.(C) DASD Schiffer told Hwang and Cho that while he understood and appreciated the strategic significance of the FTA, the U.S.-ROK Alliance was more than the FTA and that we should not make the decision to ratify the FTA a proxy for the entire future of the alliance. There were other ways, he said, to also signal the strength of the relationship. 15.(U) DASD Schiffer cleared this message. STEPHENS.

North Korea fired dozens of artillery shells in the waters north of the NLL in the Yellow Sea near Yeonpyong Island on the peninsula’s west coast today at 8:15 a.m., according to a Defense Ministry official. The shells landed in the waters north of the NLL, the de facto maritime border between North and South Korea. (Lee Min-yong, "North Fires Again toward Yeongpyeong Island," JoongAng Ilbo, January 28, 2010)

KCNA: “An American was detained for trespassing on the border of the DPRK with China on January 25. He is now under investigation by an organ concerned. (KCNA, “American Trespasser Detained,” January 28, 2010) An American man detained by North Korea after allegedly entering illegally has sought asylum and wants to join its
military, *Dong-a Ilbo* reported. It said an unidentified source in North Korea told the newspaper the 28-year-old man said he came to the country because he did not “want to become a cannon fodder in the capitalist military,” and “wants to serve in the North Korean military” instead. (Associated Press, “Report: Detained American Seeks Asylum in N. Korea,” January 30, 2010)

**Q:** North Korean coastal artillery has fired continued toward the South Korean territorial coast. And in the meantime, North Korea has proposed United Nations command to resume search for U.S. soldiers’ remains. Can you tell us what North Koreans’ true intentions would be? **CROWLEY:** As to what North Korea’s intentions may be at any particular time, who knows? We’ve seen provocative actions in the past. We always have concerns about this. As to why they enter into provocative actions at one point, a so-called charm offensive at another point, we don’t know. We don’t know what they’re thinking. We do know what they should be doing, which is to return to the Six-Party process. And through the Six-Party process, there’s the potential to address and resolve any number of issues. First and foremost among them is for North Korea to take affirmative steps towards denuclearization. But as to issues regarding concerns that North Korea may have, obviously we have longstanding issues and have sought cooperation from North Korea over decades to determine the fate of American soldiers from the Korean War. But there’s a great deal of potential here, but North Korea has to take the first step. It has to commit to this process, commit to its prior obligations. With that, lots of other things become possible. But we continue to consult closely with our counterparts in South Korea on the current situation. We remain concerned that - about any provocative actions that North Korea’s been taking and - but we remain adamant that, at this point in time, what North Korea needs to do is commit to come back to the Six-Party process and to meet its obligations. **Q:** That’s maybe - this is speculation for the true hidden intentions of North Korea is to get a peace treaty with the United States. **CROWLEY:** I mean, North Korea has a history, when confronted with a straightforward but difficult decision, of taking any number of actions to try to hide the ball. The ball is in their court. What North Korea needs to do is clear. We’ve communicated that directly. Our counterparts in the Six-Party process have sent the same message to North Korea. The fundamental issue remains - what is North Korea prepared to do? **Q:** I didn’t quite follow your answer when it - regarding her question on the North Koreans’ interest in resuming U.S. participation in the search for remains from the war. Is that something you - I mean, the U.S. unilaterally cut that off a couple of years ago. Are you interested in resuming it, or is it part of the Six-Party - **CROWLEY:** Well, I think, as we’ve made clear, our foremost interest right now is to get North Korea back into the Six-Party process to address the obligations that they have previously committed to regarding denuclearization. We know there are a large number of issues regarding - in the bilateral context. We think there’s an opportunity to address those inside the Six-Party process once it resumes. From our standpoint, we do have an interest in resolving outstanding MIA cases. In the case of North Korea, it has expressed an interest in pursuing a peace agreement. All of these things are possible. But first and foremost, we need to see North Korea back in the Six-Party process. We think that’s the right framework for any number of issues to be addressed. **Q:** So it seems like you’re not really interested, at least for the moment, in pursuing the search for MIA remains, that coming back to the Six-Party Talks has to happen first.
CROWLEY: We have a lot of bilateral issues. We’re willing to address those bilateral issues. But first and foremost, our concerns are to get North Korea back in the Six-Party process. **Q:** The previous position was that this was a humanitarian issue and should be separate from the nuclear issue. **CROWLEY:** I mean, it is. ... But right now, our focus is on getting North Korea to roll back its nuclear program. That’s where our emphasis is. We would entertain having a bilateral dialogue on issues of concern to us, issues of concern to them. But at the present time, what we want to see North Korea do is make a commitment back to the Six-Party process. ... **Q:** President Obama talked about stronger sanctions on North Korea last night. Do you have any specific plans for that? **CROWLEY:** Yeah. Clearly, the fact the President included North Korea in the foreign policy portion of his State of the Union speech, as he did in the context of Iran and our efforts on arms control and nonproliferation, it emphasizes the importance that we attach to this issue. We’ve made engagement with North Korea something - a priority during the course of the past year. We’ve reached out to North Korea. We’ve given them what we think is a compelling rationale for why heeding the will of the international community and understanding the unity with which all of the parties in the Six-Party process attach to this issue. This is in North Korea’s interest. It is in their interest and they have the opportunity - they control their own destiny. They have the opportunity to end their isolation. They have the opportunity to have international cooperation, international support that would result in improved standards of living for their people. All they have to do is to understand that by giving up nuclear weapons, by ending their isolation, that this would be very good for North Korea in the long run. But as to why they continue to hold out, that’s always the $64,000 question and something of a mystery.” (DoS Daily Briefing, Assistant SecState Philip Crowley, January 28, 2010)

ISIS: “The evidence supports that Burma and North Korea have discussed nuclear cooperation, but is not sufficient to establish that North Korea is building nuclear facilities for Burma’s military junta, despite recent reports to the contrary. ...Another dimension is whether Burma is helping North Korea obtain items for its nuclear programs. Burma could act as a cooperative transshipment partner for goods ultimately destined for North Korea’s gas centrifuge uranium enrichment program. ...Evidence of North Korean/Burmese cooperation includes the reported presence in Burma of officials from Namchongang Trading (NCG), a North Korean trading company that is sanctioned by U.N. Security Council. Syria’s reactor project depended on assistance from NCG. Reports of North Korea selling a reactor to Burma date back to at least 2004, a time when NCG was helping Syria acquire its reactor. According to a 2004 Asia Times article [Arun Bhattacharjee, “India Frets over Yangon-Pyongyang Deal, June 4, 2004], citing Indian intelligence, Burma approached North Korea in November 2002 as a seller of last resort after the military regime failed to acquire a reactor from Russia, China, and India. Russia at the time had signed only a draft reactor sales agreement. India turned down Burma’s request for a reactor in 2000, according to the article, because of India’s view that Burma did not need such a reactor and was concerned about riling the United States which had sanctions on Burma. The Asia Times article makes the additional claim that a reactor deal was signed between Burma and North Korea in early 2004. **But all these claims remain unconfirmed** ...In June 2009, Japan arrested three individuals for attempting to illegally export a
magnetometer to Burma via Malaysia, under the direction of a company associated with illicit procurement for North Korean military programs. Authorities learned subsequently that this group successfully delivered other nuclear dual-use equipment to Burma. The original order for the magnetometer came from the Beijing office of New East International Trading, Ltd., which reportedly operates under the direction of North Korea. The company is headquartered in Hong Kong but also has a Pyongyang office, which is flagged by watch lists of the Japanese Ministry of Economy, Trade, and Industry (METI) for its involvement in illicit procurement for North Korean military programs. The magnetometer, which is a dual-use instrument that measures magnetic fields, was intercepted before it made its way to Burma. In addition to legitimate commercial uses in archaeological and geophysical sciences, a magnetometer can be employed in making missile control system magnets and gas centrifuge magnets (in magnetizing magnets and measuring strength). This item is controlled under Japan’s “catch-all” regulations, which ban the export of dual-use items for military applications to countries such as North Korea or Burma. Japanese officials seized the item in January 2009 and launched an investigation which later led to the arrests. The three individuals, one of North Korean nationality and two of Japanese nationality, were the heads of three separate Japanese entities: Li Gyeong Ho, a North Korean national was president of the Toko Boeki trading company; Hirohiko Muto was president of Taikyo Sangyo trading company (internet searches indicate this may be a clothing company); and Miaki Katsuki, was president of Riken Denshi Company. Riken Denshi was the manufacturer of the magnetometer. In September 2008, Li Gyeong Ho, under direction of the Beijing office of New East International Trading, asked Muto at Taikyo Sangyo to submit documents to the local customs authorities for the purpose of exporting the device. METI informed the company that an export license was required and the export could not be authorized. At this time, the accused conspired to export the item to Burma via Malaysia without a license. In January 2009, the three conspired to replace the name on the customs documents to that of Riken Denshi and tried to export the item for seven million yen, or about $72,500, without a license from METI. The export was stopped by customs agents in Japan, and METI confirmed the company had not applied for an export license. In February, the premises of Toko Boeki were searched. The individuals were charged with violating Japan’s Foreign Exchange and Foreign Trade Law by attempting to export the magnetometer without a license. The magnetometer was not the only item ordered by New East International Trading for shipment to Burma by Toko Boeki. In August 2008, Toko Boeki exported to Burma two small cylindrical grinders, each valued at 2.5 million yen, or about $28,000, without permission of Japanese authorities; this type of grinder, which was produced by Manba Seisakusho Co. Ltd, can be used to make missile control systems and to grind magnets for gas centrifuges. In November 2008, Toko Boeki exported another cylindrical grinder to Burma. Burma’s Ministry of Industry No. 2 reportedly received the grinders. In November 2009, Li Gyeong Ho of Toko Boeki trading company was found guilty and given a two year suspended sentence and a fine of six million yen (about $67,000). In his ruling, the judge said that all these exports or attempted exports involved “all dangerous equipment used to develop and/or manufacture nuclear weapons.” The judge concluded that there was “thus a risk of greatly affecting the peace and security of Japan and the world.” Although this case implies that North Korea was purchasing dual-use equipment for Burma, the
investigation did not confirm whether the items were intended for use in Burma in a missile or nuclear program or for shipment onward to North Korea or another country.”


President Lee Myung-bak said in an interview in Davos with the BBC that he is open to a summit with North Korean leader Kim Jong-il. “I am prepared to meet Chairman Kim Jong-il at any time,” Lee said. “There is no reason not to meet [him] within this year,” if an appropriate situation emerges that can help establish peace on the Korean Peninsula and resolve the North Korea nuclear issue, he added. “I think the two sides should have dialogue with their minds open to cooperation and reconciliation.” He said, however, a precondition for the summit is that the nuclear issue should be high on the agenda. “President Lee’s remarks were a reiteration of his basic position that an inter-Korean summit is possible anytime if a condition is met,” Lee Dong-kwan, top public relations secretary at Cheong Wa Da explained. The South Korean government’s stance remains firm: no meeting for the sake of meeting and no talks to be used for political and tactical purposes, he stressed. The official said there is “no concrete move currently for an inter-Korean summit,” but such a summit, if held, should produce “substantial and tangible” results to help resolve the North Korean nuclear crisis. North Korea argues that the nuclear crisis is a matter between Pyongyang and Washington. In his first public comment on the North’s latest provocations near a disputed sea border in the Yellow Sea, meanwhile, Lee said, “It is not desirable for North Korea to make this kind of threat.” The president said North Korea, under growing pressure to rejoin the six-party nuclear talks, might be trying to put pressure on South Korea to resume inter-Korean dialogue. “Or, it may be a strategic move aimed at signing a peace treaty,” he said. “North Korea is still using the past strategy of buying time and delaying a resolution to the nuclear issue. But the North’s strategy won’t be accepted by the international community any more.” Lee said Kim’s health seems to have recovered somewhat and the North’s economic difficulty is not new. “We would be prepared for the worst scenario but we do not think the collapse of North Korea is imminent.” (Lee Chi-dong, “Lee Says Inter-Korean Summit Possible This Year under Right Conditions,” Yonhap, January 29, 2010 N. Korea to Rejoin Six-Party Talks,” February 1, 2010)

North Korea fired artillery toward a disputed sea border with its southern neighbor for the third straight day. “There was the sound of about 20 artillery rounds above North Korean waters near Yeonpyeong island,” an official with the military’s Joint Chiefs of Staff said by telephone. (Jack Kim, “North Korea Fires More Artillery towards South,” Reuters, January 29, 2010)

North Korea lifted a travel ban imposed on Americans, Radio Free Asia reported. Quoting Walter L. Keats, the owner of Asia Pacific Travel, Ltd, based in Illinois, the news report said Americans can now visit North Korea anytime they wish. Until now, American tourists were only granted visas to the repressive regime between August and October. (Korea Times, “N.K. Lifts Travel Ban on Americans,” January 29, 2010)
Dep SecState Steinberg: “From the beginning of the Obama administration, we have made clear that the United States is prepared to engage diplomatically with North Korea, and that we remain committed to the full implementation of all elements of the 2005 Joint Statement, of the Six Party Talks. These include verifiable denuclearization, the establishment of a peace regime, normalization of relations, and economic and energy cooperation. As President Obama said in Seoul - and I quote - ‘Our message is clear. If North Korea is prepared to take concrete and irreversible steps to fulfill its obligation and eliminate its nuclear weapons program, the United States will support economic assistance and help promote its full integration into the community of nations. That opportunity and respect will not come with threats; North Korea must live up to its obligations.’ The President’s words. Pyongyang has expressed a desire to engage, but it has not yet shown that it will take the concrete steps necessary to live up to those obligations. Since agreeing to the 2005 Joint Statement, it has tested two nuclear devices, one in 2006 and one last May, modernized its ballistic missile arsenal, proliferated sensitive technologies and weapons, and engaged in provocative and destabilizing behavior. The international community, and particularly our partners in the Six Party Talks, have responded to these provocations firmly and clearly. Security Council Resolutions 1718 and 1874 are an important reflection of this determination, and we have taken, together, unprecedented steps to implement them. The new measures include a total ban on arms and related materiel experts from North Korea, and a major expansion of the ban on arms imports; strict financial restrictions and enhance provisions for inspection of suspected transfers of proscribed cargo. Last month, following close consultations between us and our allies and partners, Ambassador Stephen Bosworth, U.S. Special Representative for North Korea Policy, led a delegation to Pyongyang. There, North Korean officials expressed a willingness, in principle, to resume Six Party Talks, and reaffirmed their commitment to the September, 2005 Joint Statement, including the goal of denuclearization. They did not reach agreement, however, on the specifics of when and how to proceed. Ambassador Bosworth made absolutely clear to the North Koreans that concrete actions through the Six Party Talks, through verifiable denuclearization is the sole path to improved relations that North Korea claims to seek. We believe it’s important that the Six Party Talks resume expeditiously and that North Korea begin to take those irreversible steps to eliminate its nuclear weapons program. In the meantime, neither the United States nor our allies will provide incentives or material benefits for North Korea simply to return to negotiations. The terms of the UN Security Council Resolutions will continue to be enforced. And, our determination to see that enforcement was made clear in the recent seizure of arms and related material from a North Korean charter flight that was transiting Thailand. That incident clearly demonstrated the resolve of the international community in countering the proliferation of destabilizing technologies from North Korea. Meanwhile, we will continue to speak out clearly for the basic human freedoms and dignity to which all North Koreans are entitled. Secretary Clinton’s designation of Bob King as the Special Envoy for Human Rights in North Korea, and his recent travel to South Korea and Japan demonstrate the importance we attach to this issue. Secretary Clinton has described the approach that our administration is taking, in close coordination with our Six Party partners, as one of ‘strategic patience.’ That doesn’t that we’re not doing anything. On the contrary, we are working closely with our allies and partners in the region,
to offer North Korea a different future. ‘Strategic patience’ means that North Korea must live up to its commitments and its international obligations. There is a clear path open, through the Six Party Talks and denuclearization, to achieve the security and international respect that North Korea says that it seeks. And, once it returns to the Six Party Talks and begins to make progress on denuclearization, we will all be prepared to discuss, including, where appropriate, in bilateral talks, all of the other elements of negotiation, including, with our South Korean partners, a permanent peace regime for the Korean Peninsula. But, we will not defer the core nuclear issue. As Secretary Clinton has said, current sanctions will not be relaxed until Pyongyang takes verifiable, irreversible steps towards complete denuclearization. Its leaders should be under no illusion that the United States will ever have normal sanctions-free relations with a nuclear-armed North Korea. It’s also clear that our partners in the Six Party Talks share that view. The unity that we’ve seen in the past year, with the unprecedented action by the UN Security Council and cooperative implementation of sanctions has been an important achievement, both for the future of this process and for future cooperation in Northeast Asia, beyond this challenge. That’s something I want to emphasize, that even as we work together on overcoming the very difficult challenge posed by North Korea, we can take advantage of our joint action to build a new capacity for cooperation and collective action in a part of the world that will become more and more important in the years to come.

Q: Recently, North Korea demanded a peace treaty with the United States before the Six Party Talks resume, to give up their nuclear weapons. What is the U.S. position on that? And, what does North Korea want?

STEINBERG: Let me try to answer the question. I don’t want to try to characterize the North Koreans’ position. I’ll let them characterize their own position. But, I will be happy to characterize ours which is, as I said in my remarks, we believe that there’s an appropriate time and place to discuss the issue of how we replace the armistice, going forward, but the first step is to return to the Six Party Talks and to begin the process of denuclearization. Within that framework, we have a clear path forward to discuss the full range of issues, including the potential for a peace agreement. But as we do so, of course, we will do this in close consultation with our South Korean allies who are, indeed, the principal parties in interest for anything of that sort. So, there is a path forward. Certainly, we accept the fact that there is an appropriate time and place for those discussions to take place. But, it should be very clear to the North Koreans that the way to get there, if that’s their objective, is to return to the Six Party Talks, and to begin the process of implementing their prior commitment, under the 2005 Joint Statement. …Q. South Korean President Lee said he wanted to meet with North Korean leader Kim Jong Il this year. Any comment on this, North-South relations?

STEINBERG: We strongly support President Lee and the very clear path that he’s set forward about what is necessary to achieve peace and stability on the Korean Peninsula, and we have great confidence in our relationship and our close consultations. And I am confident that, whatever form of engagement that the South Korean government chooses, we will do this in close cooperation and that we will do it in a framework we’ve all agreed on, which is that, if North Korea wants to make meaningful progress, it’s going to need to return to the Six Party Talks. And, this strong sense of shared approach is something that I think has characterized our relationships from the first days of our administration. So, we would be very supportive of the measures that President Lee takes, because we know that we’re pursuing a
shared goal.” (Deputy Secretary of State James Steinberg, Woodrow Wilson Center Conference on Peace and Security on the Korean Peninsula,“ January 29, 2010)

DeTrani: “So, with that, let me just say what’s the role of - and, certainly, I can tell you this very clearly - the uranium enrichment issue is a front and center issue, and I can tell you very clearly that, although we’ve never accused North Korea of enriching uranium, they’ve now put that on the table, and I can’t imagine anyone saying, ‘We have a verification protocol that speaks to Yongbyon,’ that doesn’t touch uranium enrichment, now that it’s on the table. Now, how do you explain it? That’s the transparency. And, you know, “trust but verify.” And that’s a piece that’s going to be out there. And then, of course, the other piece is proliferation. We cannot have - ‘we,’ the corporate ‘we,’ the international ‘we’ - another Syria, another Syria. And then we get to delivery systems, and I’m talking about nuclear now. When we get to delivery systems. And you know the chores of the people I work for, and my responsibility, working for the DNI and President on this, is to include delivery systems. When you see what North Korea was doing with their delivery systems, what they continue to do with their delivery systems - (inaudible) - and I say they were right, then we just need to - this is why the Six Party Talks need to be reconvened. We need discussions. They need to cease and desist immediately, a moratorium on missile launches. They need to cease and desist on any future nuclear tests. The IAEA needs to be reintroduced to it. And the opportunities need to be there for North Korea. What’s available for them? It’s not one-way. And, let me end on this. The North Koreans always tell us in negotiations, ‘You want us to dismantle, denuclearize. And then you’re prepared to do A, B, C, D, energy assistance, economic, and eventually normalization.’ Nonsense. Nonsense. It was never that way. And, they have the term and we have the term, and the Chinese, ‘actions for actions.’ That may not be the proper approach, but it was always everything would be simultaneous. There would be movement towards denuclearization and there would be movement on the other side, the energy assistance, economic assistance, talking about discussions of peace treaties and so forth. There will be movement on the other side. It wasn’t ‘comprehensive dismantlement and then we’ll talk about it,’ because what the North Koreans said is, ‘Once we dismantle, we’re weak and we have no cards. Why would you expect us to do that?’ And, you know, it sort of makes sense. That’s a card they have. That’s a card they have. And that makes eminent sense. There needs to be trust. There needs to be mutual trust. And then, ultimately, there needs to be normal relations. And, with normal relations will be trust, and that interaction, and the more interaction we have in the interim, as we get there, the better it is. But, there is a lot of work to be done on what’s happening in their country, understanding what’s happening in their country with respect to their nuclear program, with respect to their missile program, with respect to the dynamics within the country itself, because there are a lot of things going on that affect leadership decisions there, and so forth. But, the key is getting back to the Six Party Talks. And, hopefully - and I hate to say this because it’s sort of, almost, a “weak reed” when we keep repeating this, we look to China so often to sort of carry this responsibility, because of their very unique relationship with the DPRK. But trying to convince - and that’s not the right word - China to sort of explain to Kim Jong Il and the leadership in Pyongyang it’s in their interest also to come back to the Six Party Talks, and to move away from the confrontation, because the bottom line is North
Korea will not, cannot, should not ever be recognized as a nuclear weapons state. …Q: I’m Bill Smith. I want to start you off with a very provocative question. I haven’t made up my mind on the answer to this question, but I think it needs to be on the table. And that is that it seems to me there are an increasing number of responsible figures, at least in the private sector, who are saying there’s not a – (inaudible) – there’s no realistic chance of non-proliferation succeeding over the long term, so we’d be a lot better off in trying to accept proliferation as a fact of life and manage it, things like transparency, people on the spot trying to monitor the nations that didn’t have them, would be far better than the way we’re going now, including with North Korea. Because, the thing that is the most dangerous in what North Korea is doing is selling them to others. Okay? Non-state actors. Okay? So, as long as you can bottle it up among state actors, you have a much better chance that they won’t be used, than not. So, number one, respond to that in general. But, I mean, at what point would you reassess, as a policy, as either the Six Parties or just the United States, your current track, which is very much focused on maintaining non-proliferation indefinitely? DETRANI: No, I understand the question. I think we’re doing both. I think there’s the counter-measures, the counter-proliferation, side of the ledger, that is a very powerful one. And I think we all see this with the implementation of 1874, where we have all countries, certainly to include China, all countries, committed to ensuring that 1874 is implemented, which is North Korea will not be able to sell or be permitted to sell, or acquire, weapons of mass destruction, delivery systems, and high-end conventional weapons. And, as I mentioned before, the Kamnun One, which was, I guess, going to Myanmar, we just saw the interdiction in Bangkok, and that was using the air domain, the sea domain and so forth, but what we see is these countries are coming together. It’s a commitment, because this is a UN Security Council Resolution. This isn’t the U.S. or the ROK imposing anything; this is the UN Security Council sort of saying, “Member-states, you’re obliged,” and there’s a Sanctions Committee in the UN Security Council that looks at all of these issues and the disposition of those materials that are acquired to states that go onto, let’s say, North Korean vessels and return there. So, one piece of this is being implemented. We’re watching, I think the community’s watching, because sanctions are in play and so forth. Now, will sanctions – I think most people who have seen sanctions say, “Well, sanctions are good for so long and they eventually dissipate and the efficacy is a question mark,” and so forth. Well, then, that’s a historical footnote. So be it. We should learn from that. So, if you put something in, it needs to be robust, it needs to be consistent, and we need to stay with it. On the other side of the ledger is what you said. On the other side of the ledger is that the answer to this issue isn’t really just playing defense and so forth; it’s halting that program and reversing that program, and getting them back into a normal relationship and so forth, assuming - and I think that’s the assumption - I don’t think we would ever keep up the Six Party Talks if we didn’t think - and as North Korea talks about 2012 and so forth - that North Korea, the DPRK, would not aspire to [be] a country that’s economically richer, a country that can feed its people, a country that can have international legitimacy, a country that doesn’t have to put their won into satchels because banks wouldn’t deal with them, a country that would not be treated as a pariah, because that’s not right for North Korea. It’s not right for a nation-state like that, a country with that rich history, with that rich culture, and so forth. So, it’s a two-path approach. So, I guess the
President Lee’s BBC interview carried a clear and visible message to North Korea regarding inter-Korean summit talks. A closer look at his statements shows some clear differences from previous remarks. The first clear difference is the reference to a time frame. President Lee indicated that if he were to engage in an inter-Korean summit, he would do so within the year. A government official communicated the changed mood within the government in saying, “This year, the atmosphere in the Cheong Wa Dae (the presidential office in South Korea or Blue House) has been one of placing a greater emphasis on inter-Korean relations than on economic issues.” President Lee will also enter the latter half of his term next year. Government officials and inter-Korean relations experts share the understanding that a summit meeting is nearly impossible politically and realistically once a president enters the second half of his or her term. Analysts suggest that North Korea could also be viewed as tacitly agreeing on this score, as it may determine that it does not want to go through a repeat of 2000, when a planned visit by then-U.S. President Bill Clinton failed to take place due to a change in administrations, or the failure to implement the 2007 inter-Korean summit declaration from late in the Roh Moo-hyun administration. President Lee made no reference to POWs or abductees, whose existence North Korea does not acknowledge. Instead, the president said the dialogue would have to be “beneficial.” He also did not take the position that the nuclear issue would have to be on the agenda, opting instead for a generality by saying that the leaders would “have to be able to talk sufficiently.” Finally, and most notably, he shifted from the use of the phrase “if it helps in North Korea’s denuclearization” to the phrase “if it is a situation that can be of help in achieving peace on the Korean Peninsula and solving the North Korea nuclear problem.” While his previous remarks presented a clear precondition for summit talks, the latest statement indicated he would be willing to engage in such talks if a suitable situation was formed and if sufficient discussions were possible. This is a subtle but hugely significant change in stance. (Hankyore, “President Lee Shifts N. Korea Policy Tenor,” January 30, 2010) In examining the situation from an insiders perspective, however, the U.S. has left the path to talks for a peace treaty open, as demanded by North Korea, and has also persuaded South Korea to agree to this. In response to the statement issued by North Korea’s Foreign Ministry offering talks between both countries to create a peace treaty, South Korean Foreign Minister Yu Myung-hwan has responded negatively, saying that North Korea has armed itself with nuclear weapons and is seeking recognition as a nuclear power, so a peace treaty would have no meaning. Following Wi’s visit to the U.S., however, Washington and Seoul agreed on a plan to hold talks for a peace treaty once North Korea opens talks over denuclearization. As we have seen in a report by the Japanese Yomiuri Shimbun newspaper on January 25, South Korea, the U.S. and Japan appear to be moving in the direction of presenting a comprehensive proposal that would simultaneously address denuclearization, a peace treaty and economic aid for North Korea if it rejoins six-party
talks. The problem, as Unification Minister Hyun In-taek pointed out when he said the ball is in North Korea’s court, lies in the way in which North Korean authorities will view this proposal. *Chosun Sinbo*, the organ of the pro-North Korea General Association of Korean Residents of Japan, revealed during the secret talks in Singapore that took place last October that North Korea views relations with the U.S. and South Korea as a political development in which the two wheels are connected together. **This is not a “talk with the U.S. while isolating South Korea,” but rather a strategy of linking inter-Korean relations and relations with the U.S. In fact, North Korea has not suspended talks with South Korea regardless of the situation**, including its notification of working-level talks in Kaesong on Monday. Moreover, North Korea, depending upon the progress in the situation, is considering a major decision that would transform the structure of confrontation on the Korean peninsula. What North Korea put on the negotiating table in January was talks between the parties involved to finalize a peace treaty. If South Korea agrees to this, it means that through a bold decision, denuclearization and an inter-Korean summit would be possible. (*Hankyoreh*, “U.S. and S. Korea Seemingly Divide Roles to Persuade N. Korea to Rejoin Six-Party Talks,” February 1, 2010)

North Korea has declared five more “no sail” zones off its coasts effective from 7 am today to 8 pm (1100 GMT) on February 2, raising concerns of possible short-range missile launches days after its artillery barrage, Yonhap reported, quoting military sources. (*AFP*, N. Korea Declares More ‘No Sail’ Zones,” February 2, 2010)

The divided Koreas began talks on ways to improve their joint factory park in the North, amid rising tension triggered by days of artillery fire by the North near their western maritime border last week, the Unification Ministry said. The South Korean delegation, led by Kim Young-tak, met with its North Korean counterpart at an inter-Korean office for economic cooperation in the border town of Kaesong just north of the heavily armed border, the ministry said in a message to reporters. Some 110 South Korean manufactures employ about 42,000 works at the complex. Kim told reporters that his delegation would press to sideline the pay raise issue and first discuss border restrictions that have slowed South Korean transport and communication in and out of the complex. He said he would also focus on planned construction of a facility to house North Korean workers, a move he said would boost profitability. “We will persuade the North to understand that a mood favorable to discussing the wages will be naturally created” once the border restriction and housing issues are resolved. (Yonhap, “Koreas Begin Talks on Joint Industrial Park,” February 1, 2010) North Korea is expected to demand in talks on Monday that the current minimum wage of US$57.88 per North Korean worker at the Kaesong Industrial Complex should double to some $100, an informed source said. (*Chosun Ilbo*, “N. Korea May Demand over $100 in Wages,” February 1, 2010) South and North Korea held a fourth round of working-level talks over the operation of a joint industrial complex in the North Monday but failed to narrow their differences. The South Korean delegation, led by Kim Young-tak, met with its North Korean counterpart at an inter-Korean office for economic cooperation in the border town of Kaesong just north of the heavily armed border, the ministry said in a message to reporters. “In a keynote speech, our chief delegate noted the necessity to improve systems regarding telecommunications, customs and immigration,” a UnifMin
The South proposed introducing a cross-border passage procedure using radio-frequency identification (RFID) to help employees enter and leave the industrial park at any time, he added. “Under the current system, workers and visitors can only enter the complex at a certain time. If they miss the time, they have to wait several days for another permit,” he said. “So, we suggested the simplified passage procedure under which South Koreans can visit the North at any time.” However, the North insisted that those issues should be dealt with during military talks. The reclusive state proposed having the military talks on Jan. 26 but the South reset the date to Feb. 8. The North has yet to respond to the offer. “North Korea insisted that these working-level talks be centered on the pay hike issue,” the official said. But Pyongyang did not elaborate on the salary increase, he said. (Kim Sue-young, “N.K. demands Wage Hike for Kaesong Workers,” Korea Times, February 1, 2010)

North Korea demanded a more than three-fold wage hike for its workers at a joint industrial complex with South Korea when delegates from the sides met there for talks earlier this week, Pyongyang’s official media said February 3. The Unification Ministry in Seoul disputed the report, saying that North Korea did not specify its demand concerning a pay raise during Monday’s talks held in its border town of Kaesong. The monthly wage for a North Korean worker at the Kaesong industrial complex remains just under $58. Citing an interview with an unidentified North Korean negotiator, the official Web site of a North Korean reunification organ, Uriminzokkiri, claimed that its side demanded monthly pay of over US$200 for each North Korean worker. (Yonhap, “N. Korea Wants Sharp Pay Rise for Kaesong Workers: Report,” February 3, 2010)

Rodong Shinmun said Kim expressed “compassion” for the reliance of his people on broken rice, a cheaper, inferior product, in their staple diet. “What I should do now is feed the world’s greatest people with rice and let them eat their fill of bread and noodles. Let us all honor the oath we made before the leader [Kim Il-sung] and help our people feed themselves without having to know broken rice.” The newspaper on January 9 quoted Kim as recalling nation founder Kim Il-sung’s promise of rice and meat soup for all, but adding, “We have not yet fulfilled his wishes.” Prof. Kim Yong-hyun of Dongguk University said, “The North is playing up its economic difficulties in an effort to wheedle aid out of the international community including South Korea.” (Chosun Ilbo, “Kim Jong-il Plays up Food Shortages in N. Korea,” February 2, 2010)

In an attempt to avert a food crisis and stem popular discontent, the North Korean authorities have reportedly bowed to pressure and started lifting market regulations across the country. The decision, which apparently came into force at the start of February, may seem to be an abrupt one, yet it is largely inevitable. A food crisis has seemed to be on the cards for a while, while acts of violence against security officials have been occurring with increasing frequency and discontent among the people has been rising rapidly since the currency redenomination at the end of November. An inside source said, “Since February 1st, in Yangkang and Hamkyung Provinces, jangmadang regulations have been completely lifted. The price of rice, which had been more than 400 won, has now stabilized at between 250 and 300 won.” The source added, “It is a good thing that the jangmadang is open. We were worried about a coming crisis as the rice price has been soaring and we have not been given any wages. That said, the people are watching the authorities’ next move, so they are still...
reticent to trade.” (Jung Kwon-ho, “Ban on Markets Lifted at Last,” Daily NK, February 3, 2010)

CONFIDENTIAL SECTION 01 OF 02 BEIJING 000250
SUBJECT: PRC/KOREAS: ROK EMBASSY VIEWS ON RECENT DEVELOPMENTS AND TRENDS

¶1. (C) SUMMARY: North Korea asked China to stop publishing cross-border trade statistics, the South Korean Ministry of Unification (MOU) Counselor in Beijing told Econoffs. The North’s recent currency revaluation probably would work in the short term, but he assessed the ban on foreign currency would be less effective. China-South Korea economic ties remained strong despite last year’s drop in investment flows. ROK Economic Counselor Myunghee Yoo predicted that the upcoming ROK-PRK-Japan trilateral FTA negotiations would progress very slowly. END SUMMARY. ¶2. (C) Chinese officials told MOU Counselor Chang-ryul Lee that China Customs Statistics still collects monthly data on China-North Korea trade by product, but began reporting only the total figure in September 2009 at the North’s request to cease publishing. Lee also noted that 49 percent of China’s 2009 exports to North Korea consisted of oil, whereas the bulk of North Korean exports—on the order of 45 percent—were minerals. The pricing structures for these trades are not equal, according to Lee, who said that some of China’s oil exports are considered aid. However, China recently told the North it would receive no more “discounts” on oil, including in the RMB 200 million in aid pledged during Premier Wen Jiabao’s October 2009 trip to Pyongyang, which would not include any oil. The proliferation of unofficial cross-border trade, however, muddied the picture. Lee estimated that almost as much is traded unofficially as is recorded by China customs. ¶3. (C) On North Korea’s recent currency revaluation and foreign currency ban, Lee said that every family in the North has at least one person working in a market. Within the formal economy, a salaried worker earns an average of NKW 3,000 per month, whereas a person doing business in a market could earn up to NKW 100,000 per month. This disparity caused Pyongyang to fear losing control over the economy, and triggered the recent crackdowns. Lee believed Pyongyang could achieve its short-term goal of restoring control over markets, but that in the long run the country’s economy would suffer. ¶4. (C) Although people with access to kitchen gardens previously sold their produce in markets, the revaluation has caused all such activity to dry up, continued Lee. First, no one has the money to purchase items at the markets, and second, producers are not willing to grow surplus food to sell under fluctuating economic policies. Everyone has lost trust in the currency and those with goods to buy and sell have reverted to a barter system to conduct business, according to Lee. As for foreign currency, North Koreans were saving it because they knew they would be able to use it later. Lee opined that this willingness to save foreign currency—rather than give it over to the government—would allow North Koreans to continue to purchase some imports, and would in turn support Chinese-North Korean trade. ¶5. (C) Lee said that Chinese investment into North Korea remained small, mostly because of the unstable investment climate. Chinese companies tend to purchase minerals outright rather than expose themselves to risk by investing in mines. ¶6. (C) On China-South Korea economic ties, Counsellor Yoo said that although the two countries would conclude their joint study on a free trade agreement (FTA) this year, many unresolved issues would make progress slow,
noting that "every chapter is a problem." At the same time, South Korea's exports to China have boomed, with the surplus rising to USD 30 billion in mid-December 2009. Yoo said that exports of liquid crystal displays (LCD) and auto parts to China experienced record increases in 2009. Further, although 70 percent of South Korea's 2008 exports to China were for reprocessing--with only 30 percent remaining in China for end-use--this pattern was changing, and South Korean exports increasingly were staying in China. Concomitant with this rise has been an increase in anti-dumping accusations by the Chinese against South Korea, with one potential case against a chemical company involving USD 2.8 billion in 2009. Yoo expected Beijing to release the preliminary findings on its investigation in February or March 2010 but did not speculate on what the findings would say. ¶7. (SBU) Although the South Korean won (SKW) has appreciated against the renminbi because of the Chinese currency's peg to the dollar, last year's record surplus forestalled any complaints by the South Koreans. Yoo also noted that, although South Korea's flow of investment funds to China dropped in 2009, several major deals--including a Samsung-invested LCD factory--were in the works and that 2010 would see a rise in investment flows. ¶8. (C) South Korea was less concerned about behind-the-border issues such as IPR protection and indigenous innovation requirements in government procurement procedures, according to Yoo. Regarding the new indigenous innovation circular, Yoo said that no Korean companies had raised any complaints with her, but that she did know whether they really understood the implications of the circular. ¶9. (C) Yoo said that the global financial crisis, which shrunk U.S. and EU export markets, not the lack of KORUS ratification, was pushing South Korea--and indeed other Asian countries--to look to their regional partners for increasing market share and economic integration. China hoped to achieve three goals through its FTAs, according to Yoo. First and foremost were its political and diplomatic objectives, which it believed it could further through strong economic ties. Second was its drive to secure natural resources. Third, and lowest on the list, was China’s desire to have developing nations grant market status to China, which it perceived as a status boost. HUNTSMAN

2/2/10

A group of South Koreans whose family members were abducted by the called on the government not to sweep the issue under the carpet again for the sake of an inter-Korean summit. Choi Sung-yong, the head of Family Assembly Abducted to North Korea, complained in a telephone interview that President Lee Myung-bak, who in a town-hall meeting in November promised not to hold a summit unless the question of South Korean prisoners of war and abduction victims is on the agenda, seems to have changed his mind. Families of abduction victims supported the Lee administration when it proposed to take up the issue, which the two previous administrations failed to do, Choi noted. "How can the government abruptly omit the abduction issue and stress only the resolution of the nuclear issue?" he said. (Chosun Ilbo, “Abduction Victims' Families Irate over Inter-Korean Summit,” February 2, 2010)

The North says the United States must agree to hold talks about a peace pact before it returns to six-party nuclear disarmament negotiations that it quit last April, a month before staging a second nuclear test. It also demands that United Nations sanctions be lifted before it comes back. The North “has, again, put a great stumbling block in its
path towards denuclearization,” said South Korea’s Unification Minister Hyun In-Taek, referring to the latest demands. “By making such claims that defy the expectations of the international community, it seems to be stepping further away from the denuclearization talks.” Hyun, the chief policymaker on the North, said in a speech, “As North Korea continues to remain unclear about whether it will return to the six-party talks, we cannot stop raising a fundamental question on its commitment to denuclearize itself.” The minister criticized the North’s “repeated provocations” at sea but said North-South relations were nevertheless slowly getting back on track. But on the nuclear issue “we are still stuck in a deep, dark tunnel,” he said in a gloomy assessment. “North Korea, without changing its own stance, is demanding the international community make concessions,” Hyun said, adding it is using its return to the six-party talks as a bargaining chip. “If this continues, we can never be sure when the North Korean nuclear problem will be solved.” (AFP, “South Korea Says North Is Stalling on Nuclear Talks,” February 2, 2010)

CO F I D E N T I A L SECTION 01 OF 03 TOKYO 000214
¶1. (C) During an 80-minute meeting with EAP A/S Campbell February 2 on regional and bilateral issues, Vice Foreign Minister Yabunaka agreed on the need for a continued focus on DPRK denuclearization and cautioned against being distracted by DPRK calls for peace regime discussions; called on the United States and Japan to leverage their alliance to shape China’s choices; and welcomed greater U.S. involvement in regional organizations, including the EAS. Yabunaka also agreed with A/S Campbell on the utility of Japan proposing a vice minister-level U.S.-Japan-China trilateral, and said that FM Okada had been invited to travel to Burma in May. VFM Yabunaka said he would try to address budget and timing issues involving former American WWII POWs’ travel to Japan. He also pledged to look into ways to facilitate contact between left behind parents and their children, in addition to efforts to promote Japan’s Hague Convention accession. ¶2. (C) EAP A/S Kurt Campbell opened his February 2 meeting with Vice Foreign Minister Mitoji Yabunaka by describing the current state of play with the DPRK, including ongoing U.S. efforts to bring North Korea back to the Six Party Talks and the apparent economic impact of UNSCR 1874 implementation. The Assistant Secretary stressed that the United States remained focused on using U.S.-DPRK contacts within Six Party framework to make progress on denuclearization, and that we would not allow the North Koreans to change the focus of discussions from denuclearization to creation of a peace regime. In light of the DPRK’s poor harvest last year and economic distortions caused by the North Korean won’s revaluation, Pyongyang may need external assistance soon. That said, there are no signs -- including in North-South contacts -- that the North will return to the Six Party Talks anytime soon, A/S Campbell said. Succession issues also remained unclear, he added. ¶3. (C) VFM Yabunaka welcomed continued U.S. adherence to a policy of strategic patience with the DPRK, and said that any calls for peace regime discussions were a “trap.” Before any discussions about peace arrangements, the Six Parties needed to fully agree on denuclearization. VFM Yabunaka noted that, in his January 27 meeting with Russian First Deputy Foreign Minister Denisov, his Russian counterpart offered the view that 1874 implementation was hurting the DPRK, and that the resultant lack of certain goods in Pyongyang was even having a negative impact on the Russian Embassy’s
operations there, "including the embassy's in-house dental clinic." "Things in North Korea seemed to be very chaotic," Yabunaka said. ¶4. (C) In response to A/S Campbell’s question about reported DPJ contacts with the North, Yabunaka acknowledged that there had been some speculative reports, and that any feelers were likely through the Chosen Soren (Association of North Korean Residents in Japan). Responding to Asia DG Akitaka Saiki’s query about recent reports of two detained American citizens in North Korea, A/S Campbell provided an update on U.S. actions, including efforts to secure consular access through the Swedish Embassy in Pyongyang. Also in response to DG Saiki’s question, ASD Gregson said that future efforts in the area of Fullest Possible Accounting of U.S. servicemen lost during the Korean War would have to take place within the context of overall U.S.-DPRK relations to prevent the North from using this humanitarian effort for other goals. ¶5. (C) On U.S.-PRC relations, A/S Campbell noted that Chinese domestic political imperatives not to appear weak in dealing with the United States will likely lead to continued ups and downs in the bilateral relationship. The Chinese reaction to the Taiwan arms package was one manifestation of this, and there will likely another negative reaction to the Dalai Lama’s upcoming visit to Washington and senior-level meetings in his capacity as a spiritual leader. Compounding our challenges in the months ahead were personnel changes among those handling the bilateral relationship, including Vice Minister He Yafei’s transfer to Geneva. In spite of possible difficulties ahead, the United States would seek to work closely with China on climate change, cyber-related matters and Iran, among other issues, A/S Campbell said. ¶6. (C) VFM Yabunaka noted that the U.S.-Japan relationship is key in helping to shape China’s choices, and that the United States and Japan must work closely together to encourage China to pursue “more responsible interactions with the rest of the world.” On Iran, Yabunaka recalled again his conversation with Russian First DFM Denisov, who had said that China would likely approve tougher action through a UNSCR, would insist on IAEA involvement, and would prefer diplomatic over military action. ¶7. (C) The United States did not see Japan’s relations with the United States and China as zero sum, A/S Campbell said. In fact, Japan’s recently improved relationship with the PRC was positive, and put Japan in a good position to press for a U.S.-Japan-China trilateral meeting. VFM Yabunaka noted that he had discussed this matter with outgoing Chinese Ambassador Cui Tiankai, and Yabunaka agreed with A/S Campbell that it made sense for Japan to press for a vice minister-level trilateral in the summer. ¶8. (C) The United States recognizes that it needs to play a greater role in regional organizations, and to that end will soon begin a dialogue with Southeast Asian partners on possible participation in the East Asian Summit, A/S Campbell continued. For the EAS to be effective, however, it needed to be better choreographed with APEC, and this process will take time, A/S Campbell said. A/S Campbell urged Japan, in discussing regional architecture, to continue to avoid “Asia for the Asians” formulations. VFM Yabunaka welcomed possible U.S. participation in the EAS and noted that recent GOJ statements on regional architecture have included a strong call for U.S. involvement. ¶12. (SBU) USG Participants: Ambassador Roos, A/S Campbell, ASD Gregson, DCM Zumwalt, EAP Special Advisor Nirav Patel, EAP/J Director Kevin Maher, OSD Senior Country Director for Japan Suzanne Basalla, Embassy Tokyo Political Deputy Marc Knapper. MOFA Participants: VFM Mitoji Yabunaka, Foreign Policy Bureau DG Koro Bessho, Asia DG Akitaka Saiki, North
President Obama announced that he would not put North Korea back on the State Department’s list of state sponsors of terrorism, after a classified study determined that the country “does not meet the statutory criteria” for that designation. (New York Times, “U.S. Keeps North Korea off Terror List,” February 4, 2010, p. A-8)

WikiLeaks cable: Monday, 22 February 2010, 08:54

CONFIDENTIAL SEOUL 000290
SIPDIS
EO 12958 DECL: 02/23/2030
TAGS: PREL, PGOV, SOCI, MARR, ECON, ETRD, KN, KS, CH
SUBJECT: A/S CAMPBELL’S FEBRUARY 3 MEETING WITH NSA KIM

Classified By: Ambassador D. Kathleen Stephens. Reasons 1.4 (b/d).

Summary

In discussions with American officials, South Korea’s National Security Adviser Kim Sung-hwan points to growing instability inside North Korea, including reports of possible armed resistance to the regime. Key passage highlighted in yellow.

Summary

1. (C) During a February 3 meeting, National Security Adviser Kim Sung-hwan told EAP Assistant Secretary Campbell the ROKG wished to have discussions with Washington about delaying the planned transfer of wartime operation control to Korea. Kim agreed that turbulence in Sino-American relations meant Beijing would be hesitant to call a new round of the Six Party Talks. It was encouraging, however, that veteran DPRK negotiator Kim Gye-gwan was slated to visit Beijing next week. **NSA Kim asserted that Kim Jong-il needed to visit China soon in order to get more economic assistance, as the DPRK’s internal situation appeared to be significantly more unstable.** NSA Kim acknowledged it was important to reach out directly to key DPJ officials like Foreign Minister Okada and Finance Minister Kan. The North Koreans, Kim said, were clearly using several different channels to “knock on the DPJ’s door.” President Lee may visit a Korean factory in the United States to help sell KORUS to the American public. Kim suggested that President Obama and President Lee pay a joint visit to the Korean War Memorial in Washington to commemorate the 60th anniversary of the Korean War. Campbell asked for ROK understanding for U.S. plans to resume MIA remains recovery operations in North Korea. Kim emphasized that President Lee would never “buy” a summit with Pyongyang. End summary.

OPCON Transfer

2. (C) During a February 3 meeting with Assistant Secretary for East Asian and Pacific Affairs Kurt Campbell, ROK National Security Adviser Kim Sung-hwan said he wished to
have discussions with the USG on the planned April 2012 transfer of wartime operation control (OPCON) to Korea. Kim agreed with Campbell’s observation that it was important for the Korean public to understand that any change that may be considered concerning OPCON transfer timing, and the U.S. Quadrennial Defense Review, would not diminish America’s commitment to the ROK’s security, and should not be so interpreted. China Unlikely to Call New 6PT Round

3. (C) NSA Kim agreed with Campbell’s observation that the current turbulence in Sino-American relations meant Beijing would be hesitant to call a new round of the Six Party Talks (6PT) anytime soon. Referring to POTUS’ upcoming meeting with the Dalai Lama, Kim said the Chinese were “far too sensitive” about the Tibetan spiritual leader’s meetings with foreign officials. A few years ago, Kim related, the PRC had crudely pressured the ROK government into canceling a planned speech by the Dalai Lama at a Buddhist conference on Cheju Island.

4. (C) NSA Kim said he was encouraged by reports that veteran DPRK negotiator Kim Gye-gwan was slated to visit Beijing next week at the invitation of Chinese 6PT chief Wu Dawei. NSA Kim said he understood Kim Gye-gwan might also visit New York. Campbell noted it was important for the DPRK authorities to hear from the Five Parties that Pyongyang’s attempt to shift the focus from denuclearization to a peace treaty was not working.

KJI China Trip and Deteriorating Conditions Inside DPRK

5. (C) NSA Kim asserted that North Korean leader Kim Jong-il needed to visit China soon in order to get more economic assistance. The PRC was in the process of delivering a portion of the food aid promised during Premier Wen’s visit to the DPRK last fall; approximately 6,000 metric tons (MT) of rice and 20,000 MT of soybeans has been delivered, but the DPRK needed a lot more. The situation inside North Korea, he added, appeared increasingly unstable. The North’s currency replacement had created strong resentment throughout DPRK society, Kim said, adding that DPRK Finance Chief Pak Nam-gi had apparently been sacked. Kim asserted there were credible reports of unrest in the North; according to ROK intelligence sources, DPRK police recently found a bomb on a passenger train en route from Pyongyang to Beijing.

U.S.-Japan Relations

6. (C) Kim concurred with Campbell’s assessment that the DPJ was "completely different" from the LDP and agreed it was important for the DJP to coordinate with Seoul and Washington as it made preliminary overtures to Pyongyang. The North Koreans, Kim said, were clearly using several different channels to "knock on the DPJ's door." Kim acknowledged Campbell's point that it was important to reach out directly to key DPJ officials like Foreign Minister Okada and Finance Minister Naoto Kan.

FTA Prospects
7. (C) It was the ROK government’s view, Kim said, that there might be a window of opportunity to pass KORUS immediately after the U.S. Congressional elections this fall. Kim added that the ROK Embassy in Washington was working on a possible FTA event for President Lee during his upcoming trip to the United States for the nuclear summit. One idea, Kim explained, was to have President Lee visit a Korean factory to help underscore to the American public that the FTA was about creating jobs in America as well in Korea. Campbell praised ROK Ambassador Han Duck-soo for his public outreach on KORUS and noted that the U.S. business community needed to “stop being lazy” and help get KORUS through Congress.

Korean War Memorial Visit

8. (C) NSA Kim asked if, during the April nuclear summit in Washington, it would be possible to have POTUS and President Lee pay a joint visit to the Korean War Memorial. Campbell acknowledged the powerful symbolism for both the Korean and American audience of such a visit during the 60th anniversary of the Korean War, but cautioned that it would be extremely difficult to arrange during the nuclear summit.

MIA Remains Recovery in North Korea

9. (C) Campbell asked for ROK understanding about the U.S. position on resuming MIA remains recovery operations in North Korea. The USG felt strongly, Campbell explained, that this was an important humanitarian issue. Campbell stressed that the U.S. would coordinate closely with the ROK on the issue to “avoid sending the wrong signal” to the DPRK. Pressed by Kim about paying the North Koreans cash to help recover U.S. remains, Campbell agreed it was distasteful; he noted, however, that the United States had made similar payments to the Burmese and Vietnamese governments to facilitate cooperation on MIA issues.

Prospects for a North-South Summit

10. (C) On prospects for a North-South summit, NSA Kim clarified remarks that President Lee made in an interview with the BBC in Davos. Kim said that, beginning last fall, the ROK has had contact with the DPRK about a summit. The North, however, has demanded that Seoul provide a certain amount of economic aid prior to any summit. That precondition was unacceptable, Kim stressed, noting that the Blue House had emphasized to the ROK press this week that President Lee would never “buy” a summit with the North. STEPHENS
the United States to Korea. The majority of conservatives in the ROK felt “uneasy” about the transfer given continued provocations from North Korea. We need to talk about the OPCON issue more frankly, Yu said, stressing that the two sides needed to “calm public concerns.” Yu asserted that OPCON transfer needed to be linked more closely with USFK’s move from Seoul to Pyongtaek, which was slated to happen by 2016; perhaps a one or two year delay in the transfer of OPCON would be appropriate, Yu added. Campbell stressed that the United States was prepared to listen to Korean concerns about the issue. He said the strongest U.S. bilateral relationship in Asia is with the ROK, and the USG would do nothing to harm it.

Meeting with Ambassador Wi. (C) Prior to the discussion with FM Yu, Campbell met with ROK Special Representative for Korean Peninsula Peace and Security Affairs Wi Sung-lac. Wi downplayed press speculation that a North-South summit was imminent. It was clear, Wi said, that Pyongyang still viewed Washington, not Seoul, as its main “channel” for dialogue. In addition, Wi stressed, now was not the time to show any flexibility on peace regime discussions with the North; the focus needed to be on denuclearization. Campbell said the U.S. was in complete agreement, noting that the “toughest North Korea desk officer in Washington is President Obama.” (C) Wi cautioned that the Chinese may be preparing to raise the issue of easing UN sanctions on North Korea. Campbell agreed with Wi’s observation that Seoul and Washington had to be united against this Chinese approach. Moreover, Wi said, a case involving suspected torpedo testing equipment had raised fresh ROK concerns about the PRC’s willingness to enforce UN Security Council Resolution 1874.

WikiLeaks cable: Thursday, 18 February 2010, 04:57

CONFIDENTIAL

EO 12958 DECL: 02/18/2035
TAGS PREL, PHUM, PGOV, SOCI, KN, KS, CH
SUBJECT: A/S CAMPBELL DISCUSS DPRK FUTURE WITH EXPERTS

Classified By: AMB D. Kathleen Stephens. Reasons 1.4 (b/d).

Summary

Kurt Campbell, the senior US diplomat for east Asia, seeks the views of five regional experts on North Korea. If they agree on anything at all, it is that the situation in the DPRK is totally unpredictable and the succession process could yet turn violent. Key passage highlighted in yellow.

SUMMARY

1. (C) A group of five ROK opinion leaders and experts on North Korea issues told A/S Kurt Campbell on February 3 it was difficult to predict whether Kim Jong-il’s youngest son Kim Jong-un would be able to succeed his father without sparking instability in the North. Of the five experts, one thought the younger Kim might succeed and one argued his lack of leadership experience made it unlikely he would win the support of the ruling elites. They agreed that Kim Jong-il’s brother-in-law Jang Song-taek would prove a strong rival for the younger Kim and would probably be tempted to challenge
him. Kim Jong-il had used draconian controls and international aid to discourage coups after having foiled three such attempts in the late 90s. China’s strategic interests were fundamentally at odds with U.S.-ROK interests in North Korea. End Summary.

Succession in Progress

2. (C) Assistant Secretary Kurt Campbell met on February 3 with Korean opinion leaders with a keen interest in DPRK issues to hear their views on the future of North Korea. The experts agreed that regime succession was fully underway and that the North Korean people had accepted the process. XXXXXXXXXXX said a North Korean diplomat based in Beijing had told him over the phone that morning that the DPRK Foreign Ministry had instructed all of its overseas missions to "lay the foundation for leadership change in Pyongyang." Most of the experts believed the challenge for Kim Jong-il’s youngest son and designated heir, Kim Jong-un, would most likely come after his father died. XXXXXXXXXXX recalled the Chosun Dynasty’s 500 year history in which political intrigue and tension might simmer for years, but tended to erupt only after the king died. 3. (C) The group agreed that Kim Jong-il’s brother-in-law and right-hand man Jang Song-taek was spearheading the succession drive and would be a rival for power once Kim Jong-un’s father died, but the group was split on the younger Kim’s prospects for holding onto power. XXXXXXXXXXX believed it would be difficult for Jang to wrest power from the younger Kim once the succession process was complete. XXXXXXXXXXX suggested it was unclear whether Jang would be content to control the younger Kim from behind the curtain, or would challenge him directly for outright control. XXXXXXXXXXX

Doubts About Younger Kim’s Experience

4. (C) There were many reasons to doubt that Kim Jong-un would be able to successfully fend off challenges to his control after his father died. XXXXXXXXXXX noted that Kim Jong-il had twenty years of experience as an official of the Korean Workers’ Party before his father died. Furthermore, Kim Jong-il had the benefit of years of guidance from his father after he had been officially anointed in 1980 to eventually succeed him. By contrast, Kim Jong-un had very limited experience and might not get much direct guidance before Kim Jong-il dies. Even now, XXXXXXXXXXX it was not clear that Kim Jong-il’s health was good enough to exercise the faculties necessary for day-to-day management of state affairs. Given the limited opportunity the younger Kim had to gain experience, XXXXXXXXXXX doubted his ability to solidify his position in the Party and win the unwavering support of Pyongyang’s power elites. XXXXXXXXXXX recalled the tumultuous state of affairs in the ROK following the death of President Park Chung Hee in 1979 and suggested the DPRK succession would be “100 times more troublesome.” XXXXXXXXXXX

Tight Control and Aid Kept Regime Afloat

5. (C) XXXXXXXXXXX opined that brutal repression and international aid had been the secrets of Kim Jong-il’s ability to fend off challenges. After three separate coup attempts in the 90s, Kim Jong-il had implemented very strict controls and sent a stern warning to would-be plotters by executing anyone who had been even remotely
involved in the plots. Therefore, only the military could even dare consider rising up, but the Security Services had successfully kept the military in check. XXXXXXXXXXX went on to suggest that the “indulgence” of the international community over the past ten years had also helped sustain the regime. The large-scale assistance provided to the regime by the ROK, China, the U.S., Japan and others had been intended in part to avoid a hard landing, and indeed had kept the regime afloat, he said. [Name removed] suggested that North Korea had skillfully played Washington and Beijing off one another. XXXXXXXXXXX believed that the DPRK had exploited large amounts of assistance from China, taking advantage of a situation in which Beijing was presumed by Washington to have significant influence over Pyongyang. China Complicates the Endgame

6. (C) The experts agreed that China’s obsession with DPRK stability at all costs, was clearly and fundamentally at odds with U.S. and ROK interests. Given a choice between reaching out to Seoul or Beijing, [name removed] believed that Pyongyang elites would reflexively look to China for support if they believed they needed help in maintaining stability. The Seoul option would be unacceptable because of the U.S.-ROK alliance and concerns over becoming subservient to Seoul. China, on the other hand, would gladly provide support with few or no strings attached, just to maintain the DPRK as an independent entity, XXXXXXXXXXX maintained.

7. (C) XXXXXXXXXXX noted that although Washington had a keen interest in both denuclearization and human rights, the U.S. stake in North Korea was minimal compared to that of China by virtue of its proximity to the North. China did not share American perspectives on these two key issues, considering them somewhat abstract. Rather, Beijing was concerned about what it considered to be more concrete issues, such as a potential flood of “economic migrants” and broader social unrest on its immediate border. Reaching the People and Close Cooperation are Key

8. (C) Negating Chinese influence over the long term, [Name removed] observed, would involve close U.S.-ROK cooperation in winning the hearts and minds of the North Korean people. XXXXXXXXXXX STEPHENS

CONFIDENTIAL SEOUL 000187 02/08/2009 SUBJECT: A/S CAMPBELL’S FEBRUARY 3 MEETING WITH ROK DEPUTY FOREIGN MINISTER LEE YONG-JOON ¶1. (C) During a February 3 meeting with EAP Assistant Secretary Kurt Campbell, Deputy Foreign Minister Lee Yong-joon dismissed ROK press speculation that a North-South summit was imminent. Lee related that veteran DPRK Six-Party Talks negotiator Kim Gye-gwan would visit China week of February 8, and speculated Kim Jong-il would go to the PRC in March. Lee, who had just returned from Beijing, said he and his Japanese and Chinese counterparts agreed to establish a trilateral secretariat in Seoul next year; Lee would consult with his counterparts on U.S. participation as an observer. The DFM reassured Campbell that the ROKG remained committed to establishing a PRT in Afghanistan by July. Lee hoped the USG would “take into consideration” the overall security situation on the Korean peninsula as the date for OPCON transfer to Korea drew nearer. According to Lee, the Joint Environmental Assessment Procedure (JEAP) was instrumental in the smooth implementation of the Camp Hialeah return; the
ROKG hoped to use it for future base returns. Lee claimed that open-ended strategic flexibility "jeopardized" an important aspect of ROK security: a strong U.S. military presence on the peninsula. The ROKG's preference is that this year's "2 plus 2" meeting (between Secretaries Clinton and Gates and their ROK counterparts) be held in Seoul during the first half of the year. End Summary. ¶2. (C) During a February 3 meeting with EAP Assistant Secretary Kurt Campbell, Deputy Foreign Minister Lee Yong-joon dismissed press speculation that a North-South summit is imminent. Lee stressed that if a summit happened, the North Korean nuclear issue would be a key element. ¶3. (C) Lee, who had just returned from Beijing, related that veteran DPRK Six-Party Talks negotiator Kim Gye-gwan would visit China the week of February 8. Lee said that, according to his PRC interlocutors, Kim accepted the invitation only after intense Chinese lobbying. Lee speculated that a trip by North Korean leader Kim Jong-il to the PRC would occur in March. ¶9. (C) When the ROK agreed to the principles of strategic flexibility in 2006, it had not agreed to "open-ended" strategic flexibility, Lee said. The open-ended arrangement, which allowed U.S. troops based in Korea to be deployed elsewhere, "jeopardized" an important aspect of ROK security: a strong U.S. military presence on the peninsula. Lee suggested that bilateral consultations should be held to determine a guaranteed minimum level of U.S. military presence in South Korea, in the context of strategic flexibility. ¶10. (C) The deputy foreign minister said it was the ROKG's preference that this year's 2 plus 2 meeting (between Secretaries Clinton and Gates and their ROK counterparts) be held in Seoul during the first half of 2010. Lee added that it would be useful to hold annual or biennial "2 plus 2" meetings at the Assistant Secretary level. Such consultations could cover issues like strategic flexibility, OPCON transfer, instability planning, and other Alliance issues.

Rodong Sinmun signed article: “How to approach the June 15 joint declaration and the October 4 declaration serves as a barometer to distinguish the harmony between the north and the south from confrontation and reunification from division. …The inter-Korean relations should be developed by the concerted efforts of the Koreans on the basis of the declarations under any circumstances. If the south Korean authorities persist in kicking up the racket of confrontation in league with foreign forces while denying the June 15 joint declaration, the inter-Korean relations will never be improved. Those who struggle for the implementation of the above-said declarations are patriots at present whereas those who negate them are anti-reunification elements. Whoever truly wants the reunification and prosperity of the country should respect the inter-Korean declarations and sincerely implement them. One should not rely on foreign forces but take the stand of national independence and settle the issue of inter-Korean relations on the principle of ‘by our nation itself.’ The south Korean authorities should meet the desire of the fellow countrymen and the need of the era for improving the inter-Korean relations and bringing about a landmark turn in national reunification as indicated by the declarations, concludes the article.” (KCNA, “Implementation of Inter-Korean Declarations Called for,” February 3, 2010)

Orascom, the Egypt-based telecoms group, says its subsidiary in North Korea, Koryolink, has acquired 100,000 subscribers in its first year and expects to add millions more to its 3G network in the next five years though it declined to put a number on it.
We see that there is a very big plan for an economic boom,” said Khaled Bichara, chief executive of Orascom. “They are really looking to have, by 2012, a much stronger economy. We believe that mobiles and eventually international communication will definitely be part of this.” Koryolink, a pre-pay system, has been available in Pyongyang and Nampo, the capital’s port, since December 2008. To help expand the network from there, Bichara said North Korea was laying fiber-optic cables in the provinces. Its key focus is on natural resources. Irish oil company Aminex says it was “warmly received” in Pyongyang last November and was assured that stalled exploration would likely restart. Colin McAskill, executive chairman of London-based financial adviser Koryo Asia, says the North Koreans are keen for him to start investment in projects to process minerals domestically. This will help Pyongyang add value to exports. Pyongyang is also seeking investors to work on the Taedonggang brewery, a plant it bought and shipped from Britain a decade ago. In February, a North Korean trade delegation is due to visit Europe, according to Paul Tjia, a Dutch consultant who is organizing a European business delegation to Pyongyang in May. He hopes to take 10 to 15 potential investors. Tjia, founder of GPI Consultancy, says European companies have been using North Korea’s low-cost IT outsourcing sector to design web sites and software for administration, mobile phones and computer games. “It is a surprising fact but the level of IT knowledge is high and they are very aware of the latest software. North Korea has put a lot of effort into IT development, training and technical universities,” he says. European studios are also known to be outsourcing the illustration of cartoons to North Korea, he adds. (Heba Saleh and Christian Oliver, “N. Korea Operator Looks to Millions of 3G Users,” Financial Times, February 3, 2010, p. 22)

The North Korean regime apparently sacked the Workers’ Party’s Finance Director Pak Nam-gi, letting him take the fall for the failed currency reform late last year. Pak was appointed finance director in July 2007 to oversee North Korea’s economic policies and has spent the past few years trying to root out a nascent market economy. “Right now, North Korean officials are busy blaming each other for the failed currency reform and Pak, who spearheaded the revaluation, is believed to have been sacked,” said a diplomatic source in Beijing. “Markets have come to a grinding halt following the currency revaluation and prices have soared,” the source said. It seems North Korea hoped to stabilize prices through the currency reform and then credit the achievement to Kim Jong-il’s third son and heir apparent Jong-un to consolidate his grip on power, but this flopped, the source added. Some North Korea watchers in China predict that the regime may perform a U-turn back to timid market reforms now that Pak, who led the crusade against capitalism, has been fired. One North Korea expert in Beijing said, “There is a strong possibility that high-ranking North Korean officials who led the drive to crush market forces since 2004 will be removed from office, while policies will shift toward market reforms starting in the second half of this year.” (Chosun Ilbo, “N. Korean Finance Chief Sacked over Currency Reform,” February 3, 2010)

Assistant Secretary of State Kurt Campbell said his country will not improve ties with North Korea or work to remove U.N.-imposed sanctions until the communist nation returns to six-way negotiations aimed at ending its nuclear weapons programs. He also said the United States will oppose the start of any discussions for a peace treaty with
North Korea, until Pyongyang first returns to the nuclear talks and moves toward denuclearization. Campbell said the U.S. welcomes Seoul’s efforts reach out to the North, but again stressed the very next step for the countries to take was to resume the six-party talks. “We think an improvement of relations between the North and the South can be a critical component of that and we welcome efforts by the South Korean president to reach across the divide to North Korea,” he told reporters shortly after a meeting with his South Korean counterpart, Deputy Foreign Minister Lee Yong-joon. “We need to see North Korea accepting and recommitting to the steps they took in 2005 and 2007. Until those steps are taken, the United States will not be prepared either to ease sanctions or begin discussions on other issues like (the) establishment of a peace regime,” Campbell said, referring to six-party accords signed in those years, under which North Korea agreed in principle to denuclearize. “However, once North Korea comes back to the six-party talks and recommitts to their statements and positions of 2005 and 2007, then it will be possible to conduct bilateral discussions on a range of issues and also to think about next steps in terms of other matters associated with the maintenance of peace and stability on the Korean Peninsula,” he said in the earlier meeting with journalists. (Byun Duk-kun, “Campbell Says U.S. Will Not Improve Ties with N. Korea before 6-Way Talks,” Yonhap, February 3, 2010) Kim Jong-il has only three years to live based on all medical information compiled so far, Campbell told South Korean officials in a closed-door meeting, sources said. Campbell invited three North Korean defectors, Liberty Forward Party lawmaker Park Sun-young, Democratic Party leader Jang Sang and Daily NK publisher Han Ki-hong to the U.S. embassy last month to discuss the political situation in North Korea and the prospects of dynastic succession there. U.S. Ambassador to South Korea Kathleen Stephens was also present. Campbell asked participants how long they thought the North Korean leader has to live. One forecast five years, while another predicted less than that. Campbell added his own prediction of less than five years, saying that based on all medical information available it may be three years. One of the participants at the meeting said U.S. agents gathered information about Jong-un’s personality and intellectual capacity by interviewing teachers at the Swiss international school he had attended. Participants predicted a smooth transfer of power from father to son, saying major uncertainties await the North anywhere between two to five years after the handover. (“Chosun Ilbo,” “Kim Jong-il ‘Has 3 Years to Live,’” March 17, 2010)

WikiLeaks cable: “C O N F I D E N T I A L SEOUL 000254 2/18/10SUBJECT: A/S CAMPBELL’S FEBRUARY 4 MEETINGS WITH FM YU AND AMBASSADOR WI SUNG-LAC ¶1. (C) During a February 4 meeting with EAP A/S Kurt Campbell, ROK Foreign Minister Yu Myung-hwan noted that ROK civil society organizations and private citizens had donated nearly 10 million USD to the earthquake relief effort. Campbell praised the ROK’s Haiti response and noted that strategic bilateral consultations should include discussion of how the United States can support President Lee’s “Global Korea” vision. Yu agreed with Campbell’s observation that current tensions in Sino-American relations meant Beijing would not be forward-leaning about convening a new round of the Six Party Talks. Yu called for Presidents Lee and Obama to make short joint visit to the Korean War Memorial during the April nuclear summit in Washington. Yu said that during his upcoming working lunch with the Secretary he may raise the issue of delaying the planned April 2012 transfer of wartime operational
control (OPCON) from the United States to Korea. In a separate discussion, ROK Special Representative for Korean Peninsula Peace and Security Affairs Wi Sung-lac told Campbell that a North-South summit was not imminent. Wi cautioned that the Chinese may be preparing to raise the issue of easing UN sanctions on North Korea.

End summary. …¶3. (C) Yu agreed with Campbell’s observation that the current tensions in Sino-American relations meant Beijing would not be forward-leaning about calling a new round of the Six Party Talks (6PT). Yu stressed that China needed to do more to help get the talks back on track; it was Beijing’s responsibility, he said, to get Pyongyang back to the 6PT. …¶5. (C) Yu said that during his February 26 working lunch with the Secretary he may raise the issue of delaying the planned April 2012 transfer of wartime operational control (OPCON) from the United States to Korea. The majority of conservatives in the ROK felt “uneasy” about the transfer given continued provocations from North Korea. We need to talk about the OPCON issue more frankly, Yu said, stressing that the two sides needed to “calm public concerns.” Yu asserted that OPCON transfer needed to be linked more closely with USFK’s move from Seoul to Pyongtaek, which was slated to happen by 2016; perhaps a one or two year delay in the transfer of OPCON would be appropriate, Yu added. Campbell stressed that the United States was prepared to listen to Korean concerns about the issue. He said the strongest U.S. bilateral relationship in Asia is with the ROK, and the USG would do nothing to harm it. ¶6. (C) Prior to the discussion with FM Yu, Campbell met with ROK Special Representative for Korean Peninsula Peace and Security Affairs Wi Sung-lac. Wi downplayed press speculation that a North-South summit was imminent. It was clear, Wi said, that Pyongyang still viewed Washington, not Seoul, as its main “channel” for dialogue. In addition, Wi stressed, now was not the time to show any flexibility on peace regime discussions with the North; the focus needed to be on denuclearization. Campbell said the U.S. was in complete agreement, noting that the “toughest North Korea desk officer in Washington is President Obama.” ¶7. (C) Wi cautioned that the Chinese may be preparing to raise the issue of easing UN sanctions on North Korea. Campbell agreed with Wi’s observation that Seoul and Washington had to be united against this Chinese approach. Moreover, Wi said, a case involving suspected torpedo testing equipment had raised fresh ROK concerns about the PRC’s willingness to enforce UN Security Council Resolution 1874. STEPHENS

Additional U.S. ground forces may not be able to arrive in South Korea in time in case of an emergency situation in North Korea due to America’s heavy commitment in Iraq and Afghanistan. “We could not get the Army units required for South Korea into South Korea on the time line required by the plan,” Secretary of Defense Robert Gates told a hearing of the House Armed Services Committee. “That’s not to say they wouldn’t get there. It’s just that they wouldn’t get there as quickly because of the commitments that we have in Iraq and Afghanistan. And so certainly initially we would be especially dependent on the Navy and the Air Force.” The United States, however, will be able to send extra ground troops to Korea in time after the completion of the proposed drawdown of U.S. troops in Iraq in 2011, Michael Mullen, chairman of the Joint Chiefs of Staff, said. “I would only add that, as you look at the time line that you just described – end of ’11, Army’s out of – we’re out of Iraq – it’s the beginning of reset, really, for the Army in terms of equipment and actually training,” Mullen said. “Ideally, probably a year or two before we’re well into that, to be able to do it … on a time line we choose.”
Both South and North Korea have put “all cards” on the table when it comes to conditions for another round of summit talks, a senior South Korean government official said. “That is why we say the ball is in North Korea’s court.” It is now Pyongyang’s turn to make a strategic decision. “South and North Korea have already shown all cards. There were some differences on the conditions. The North asked for food aid in advance,” the official told Yonhap. “We have lowered our demands… Now, it is up to North Korea. I think it is not impossible for North Korea to accept our demands. If it does, things will go easier and faster than expected.” He did not provide details. The official admitted that South and North Korea had “intensive discussions” on the terms of a summit last year but failed to reach a consensus. “Our position is clear: We are ready to go for an inter-Korean summit but our three main demands should be met,” he said. The South wants to discuss the North Korean nuclear issue and the fate of South Korean abductees and prisoners of war still in the reclusive communist neighbor. He said what South Korea wants from North Korea regarding the nuclear issue depends on when the summit will take place. “If it is held before the resumption of the six-way (nuclear) talks, our accomplishments will include securing North Korea’s promise to return to the talks,” he said. “Anyway, South Korea will put forward the Grand Bargain proposal.” He said, “What is important is to make North Korea officially acknowledge that South Korea is a directly related party in terms of this nuclear crisis and it should be discussed bilaterally (between South and North Korea) as well as multilaterally.” The ongoing trip by a top presidential aide to Washington is not directly associated with a possible inter-Korean summit, Cheong Wa Dae spokesman Park Sun-kyoo told reporters. “Kim Tae-hyo, secretary for national security strategy, is visiting the U.S. for regular consultations on general issues of mutual interest between Cheong Wa Dae and the White House (but they are) not intended to talk about a specific issue.” (Lee Chi-dong, “Korea Showed ‘All Cards’ and Now Ball Is in Pyongyang’s Court: Official,” Yonhap, February 4, 2010)

“The five parties hold the oxygen mask for North Korea,” Vice FM Chun Yung-woo said in a speech at a forum in Seoul. Chun described as “enormous” the influence of U.N. arms and trade sanctions toughened against Pyongyang when the country went ahead with its second nuclear test in May last year. “If we give (North Korea) no other choice but denuclearization or the end of the regime, there is a chance of progress in denuclearization,” Chun said, speaking in English. “When they are convinced their nuclear ambition is not [an] insurance policy for survival but that’s the shortcut to their demise, they will be more willing to cooperate in denuclearization,” he said. Describing North Korea as “desperate enough to show interest” in resumption of the six-party talks, Chun said he is “cautiously optimistic” that the North will return to the negotiations, but said the state would drag its heels in giving up its nuclear weapons programs. “Once they come to the six-party talks, they may wish to wait as much time as possible on other issues than the central issue of denuclearization.” He said, “They will play petty games,” suggesting the North Korean demand for a peace treaty is designed to dilute the focus on nuclear arms development. “The timing is not important. What is important is with what intentions North Korea comes back when it
does,” he said. Chun said the chance of success in denuclearizing North Korea is “extremely slim, close to zero,” but opposed the view that it is an illusion. “I do not agree with those who argue that this is intrinsically and fundamentally impossible,” he said. (Yonhap, “Negotiating Partners Hold N. Korea’s ‘Oxygen Mask’: S. Korean Diplomat,” February 4, 2010)

WikiLeaks cable: “UNCLAS SEOUL 000255 2/18/10 SUBJECT: NGOS CALL FOR GREATER ENGAGEMENT WITH NORTH KOREA ¶2. (U) The National Endowment for Democracy (NED) and the Institute for Far Eastern Studies at Kyungnam University held a major North Korea human rights conference February 4-5 in Seoul. The event was well-attended, drawing more than 200 participants from South Korean and foreign government ministries, embassies, donor agencies, foundations, and NGOs. In remarks at the beginning of the conference, Ambassador Stephens highlighted the USG commitment’s to democracy, development, and human rights in the DPRK and the importance of USG partnerships with North Korea-focused NGOs. She reviewed the USG’s current initiatives, including the International Visitors’ Program (IVLP), DRL funding for human rights NGOs and radio broadcasts into the DPRK, and the recent selection of Dr. Lee Ae-ran for an International Woman of Courage award. Special Envoy for North Korean Human Rights Issues Bob King’s congratulatory remarks were read by an NED official. Other VIP participants included National Assembly Speaker Kim Hyung-o, MOFAT Vice-Minister and former lead negotiator for the Six-Party Talks Chun Yung-woo, and ROK Ambassador-at-Large for Human Rights Jhe Seong-ho. ¶3. (SBU) At a session that was closed to the press, Vice Minister Chun spoke candidly about the big-picture reality of inter-Korean relations. He said the ROKG would continue to pursue a “Denuclearization First” policy towards the DPRK. Chun argued that the North’s current charm offensive stemmed from an “existential crisis” that had allegedly made the regime "desperate to embrace anyone who can alleviate the pain" and financial squeeze of UN sanctions. The DPRK, he asserted, was "on life support" and the international community, especially the Five Parties, held "the oxygen mask." ¶4. (U) Ministry of Unification Director-General for Intelligence and Analysis Yang Chang-seok told the participants that the DPRK’s economy was continuing to deteriorate. He confirmed that North Korea’s currency replacement was an effort to crack down on free market activity, curb inflation, legitimize the planned economy, and reduce differences between official and black market exchange rates; the effort, he indicated, had clearly failed (reftel). Korea Institute for International Economic Policy Director Cho Myung-chul stressed that dealing with severe food sortages would be the most pressing issue for the DPRK in the next few months because the informal markets that once compensated for the failed public distribution system (PDS) were only now beginning to recover from the negative effects of the currency replacement fiasco. … STEPHENS”

The figures that have confirmed the president’s intent to hold a summit are pursuing meetings with North Korea in an “individualistic combat” format, claiming to be close associates of the president. However, because most of the windows of opportunity for meetings are through private channels whose official status and responsibility cannot be ensured, some observers are concerned that the efforts may end up generating confusion. A source on North Korea said that the individuals in question “are
attempting to schedule meetings with North Korea by saying things such as ‘I can really convey President Lee’s wishes’ and ‘I can give you a letter from the president.’ It is as if a letter from the president is some kind of love letter,” the source remarked sardonically. Meetings between North Korea and South Korea to discuss the possibility of holding of a have been experiencing a lull since agenda conflicts resulted in the breakdown of a meeting in Singapore last October between Labor Minister Lim Tae-hee and Kim Yang-kon, director of the United Front Department (UFD) of the Korean Workers’ Party, and of a subsequent follow-up meeting between officials of South Korea’s Ministry of Unification and North Korea’s UFD. Based on accounts from private groups involved in work with North Korea and various experts on inter-Korean relations who are familiar with the situation within the government, however, at least three or four different groups are known to be embarking on separate efforts to construct channels for an inter-Korean summit. To begin with, a major ruling party figure who served previously as a lawmaker for the Grand National Party is known to have met with individuals from North Korea’s State Security Department in Beijing last week. In addition, it was reported that an expert on North Korean economics at a private research institution has been seeking contacts with North Korea at the government’s behest. In addition, there have also been reports that a GNP figure actively affiliated with a private group involved in work with North Korea took along a message from President Lee during a recent trip to North Korea. Many experts are expressing skepticism about the chances of such activity producing a channel strong and reliable enough to guarantee a summit will take place. A number of analysts claim that the crisis of trust between the two Koreas could actually be exacerbated if the individuals focus too much on results or if too many private interests result in distorted communication during discussions. In particular, many observers say that a careless response from the administration may generate more confusion. In other words, there is no core figure or system within the administration capable of taking full control of inter-Korean relations, especially major international affairs such as summit meetings. An inter-Korean relations expert who asked to remain anonymous said, “If the administration takes responsibility, whether officially or unofficially, there is no room for the non-official line to operate.” The expert continued, “This is proof the fact that there is a serious lack of policy and a confusing structure for making North Korea policy decisions.” Other observers are pointing to President Lee’s leadership methods as the problem. They claim that the CEO-style method of giving projects to various people and then selecting those with the best results is also being reflected in inter-Korean relations. For this reason, observers are saying that the situation could become more chaotic in the future as dozens of different people become involved in the effort to bring about the summit. The process of bringing the summit about through a contest between different groups with the task delegated by the administration could break down if it is exposed to the media. Additionally, if the competition between the various channels raises North Korea’s expectations, this could potentially diminish South Korea’s bargaining ability and neutralize the Lee administration’s official policy line. Indeed, some observers have reported that the Ministry of Unification and the National Intelligence Service (NIS) are competing in their summit efforts rather than cooperating. It is also unclear whether the figures who are attempting contacts with North Korea have made reports to the Ministry of Unification. “The current situation is a carbon copy of the Kim Young-sam administration, when various brokers were all
engaged in similar efforts,” Kim Yeon-cheol, head of the Hankyoreh Peace Research Institute, said. “They need to consider the lesson learned in 1995, when the non-official line made inter-Korean relations worse by getting involved in discussions during the rice talks.” (Hankyore, “Inter-Governmental Competition Increasing to Broker Summit Talks,” February 4, 2010)

In dozens of interviews with his closest allies and friends in Washington – most of them given unattributably in order to protect their access to the Oval Office – each observes that the president draws on the advice of a very tight circle. The inner core consists of just four people – Rahm Emanuel, the pugnacious chief of staff; David Axelrod and Valerie Jarrett, his senior advisers; and Robert Gibbs, his communications chief. “It is a very tightly knit group,” says a prominent Obama backer who has visited the White House more than 40 times in the past year. “This is a kind of ‘we few’ group ... that achieved the improbable in the most unlikely election victory anyone can remember and, unsurprisingly, their bond is very deep.” John Podesta, former chief of staff to Bill Clinton and founder of the Center for American Progress, the most influential think-tank in Obama’s Washington, says that while he believes Obama does hear a range of views, including dissenting advice, problems can arise from the narrow composition of the group itself. Among the broader circle that Obama also consults are the self-effacing Peter Rouse, who was chief of staff to Tom Daschle in his time as Senate majority leader; Jim Messina, deputy chief of staff; the economics team led by Lawrence Summers and including Peter Orszag, budget director; Joe Biden, the vice-president; and Denis McDonough, deputy national security adviser. But none is part of the inner circle. (Edward Luce, “A Fearsome Foursome,” Financial Times, February 4, 2010, p. 11)

Prosecutors indicted Ishikawa Tomohiro, a House of Representatives member who was a secretary to Ozawa, but decided not to seek criminal charges against his former boss and DPJ Secretary General Ozawa Ichiro due to insufficient evidence in relation to the alleged false reporting of the veteran politician’s funds, sources close to the case said. Ishikawa was arrested last month on suspicion of failing to book 400 million yen in a 2004 report of Ozawa’s fund body Rikuzankai in violation of the Political Funds Control Law. (Kyodo, Lawmaker Ishikawa Indicted over False Fund Report; No Charges against Ozawa,” February 4, 2010)

The North Korean regime is purging senior military and party officials. In the Workers’ Party, three key economic figures have been replaced. Finance Director Pak Nami-gi was apparently axed on Jan 20, taking the fall for the failed currency revaluation late last year. “Room 39” bureau director Kim Tong-un was recently replaced by his deputy Jon Il-chun after having managed the regime’s secret coffers for 36 years. A source says that Kim Tong-un was replaced because he was put under a personal travel ban by the EU in December last year and it was difficult for him to manage overseas funds for the North Korean leader. Han Kwang-sang was apparently promoted from first deputy of the finance and accounting department to head, which has been vacant for a long time. The department is in charge of managing party funds. North Korean leader Kim Jong-il last month tapped Vice Foreign Minister Kim Yong-il, who is familiar with Chinese affairs and served as the chief negotiator to the six-way nuclear talks, as the
head of the party’s department for international affairs. An intelligence officer in Seoul says the appointment of Kim Yong-il is likely related to the international sanctions, which were imposed after the North conducted its second nuclear test. Several military leaders in their 70s and 80s have disappeared from the scene due to old age and chronic disease, including Marshal Ri Ul-sol; Jo Myong-rok, director of the Army’s General Political Bureau; and Ri Yong-mu, vice chairman of the National Defense Commission. They have been in the military since the era of North Korean founder Kim Il-sung. Defense Minister Kim Yong-chun has also not been seen in public for more than two months, apparently due to ill health. He had been the chief of the Army’s General Staff for more than 10 years after Kim Jong-il succeeded his father. Rising military leaders are Gen. Ri Yong-ho, the current chief of the Army’s General Staff, and Kim Jong-gak, vice-director of the Army’s general political department. Both are, though not exactly youthful, in their 60s. A North Korea source says Ri is an artillery expert and may have been behind North Korea’s recent firing of artillery shells into waters near the maritime border in the West Sea. Baek Seung-joo, chief of the Center for Security and Strategy at the Korea Institute for Defense Analyses, says, “Many North Korean military officers in their 50s and 60s were assigned to the general political department, which checks the loyalty of the military to the North Korean leader.” They will play an important role in consolidating the succession to the heir apparent Kim Jong-un, he added. (Chosun Ilbo, “N. Korea Purges Party, Military,” February 5, 2010)

Amid accounts of starvation, food shortages in the army, and runaway inflation, senior economic officials have been fired in recent days, according to reports in South Korean media. The dismissals were reported in a week in which North Korean leader Kim Jong-il made a rare acknowledgement of his state’s failure to provide its citizens with an acceptable standard of living. “I am most heartbroken by the fact that our people are living on corn,” Kim said in a report monitored by South Korea’s Yonhap. “What I must do now is feed them white rice, bread and noodles generously.” Two people a day have been dying of hunger in South Hamgyong province, according to a report by Good Friends, a Seoul-based aid and human rights group with informants inside the North. It also said that North Korean army commanders met with government officials January 20 to discuss how to obtain more food for troops. South Korea’s National Intelligence Service said yesterday that North Korea has now recognized the social upheaval; caused by the currency revaluation and is easing curbs on black-market trading, Reuters reported. “To quell public discontent, controls and the crackdown on marketplaces has been eased,” an intelligence official told the news agency. “Discontent is high.” (Blaine Harden, “Inflation-Hit North Korea Has Fired Top Economic Officials, South Korean Media Report,” Washington Post, February 5, 2010, p. A-8)

A North Korean source has shed more light on an apology by Premier Kim Yong-il on February 5 which apparently acknowledged that the currency reform in late December went disastrously wrong. The source said Kim, not to be confused with leader Kim Jong-il, read out an hour-long statement before village chiefs and other party officials at the People’s Palace of Culture in Pyongyang. “I sincerely apologize for having caused great pain to the people by recklessly enforcing the latest currency reform without making sufficient preparations or considering the circumstances,” the source
quoted him as saying. Kim also pledged to rectify the mistakes, saying he would do “my best” to stabilize people’s financial circumstances. He indicated that the regime will allow people to use foreign currency, which has been banned since the reform, and permit open-air markets to return to normal after a crackdown that seemed aimed at strangling a nascent market economy. But Kim at the same time stressed the need to stick to state-set prices, adding that the government will strictly crack down on the hoarding of goods. Some experts say the situation in the North has returned to almost the state before the currency reform. A South Korean official said North Korean authorities loosened their control of the markets since there has been unprecedented resistance from ordinary people. This seems to have forced Kim’s hand. After Kim’s apology, most money changers and illegal traders who had been arrested were reportedly freed. The number of people leaving for China has grown noticeably as offices of state agencies or state-run corporations involved in earning dollars, which suspended business due to the ban on use of foreign currency, have resumed business. The apology apparently quenched a lot of the simmering public anger. “Premier Kim Yong-il’s direct apology to village chiefs, who are representatives of the people of each region, is tantamount to an apology to the people themselves. It’s a big event in the history of North Korea,” a former senior North Korean official who defected to the South said. “Authorities have never apologized to the people for wrong policies before.” He believes the apology came “because discontent with the currency reform had spread widely even among core supporters of the regime,” he added. (Chosun Ilbo, “N. Korea Climbs down over Anti-Market Reforms,” February 11, 2010)

North Korea announced it would release a US missionary who entered the communist country on Christmas Day to urge leader Kim Jong-Il to resign for human rights abuses. Robert Park had expressed “sincere repentance” for his actions which were prompted by “false propaganda” from the West, KCNA said. “The relevant organ of the DPRK decided to leniently forgive and release him, taking his admission and sincere repentance of his wrongdoings into consideration.” It did not say when he would be freed. KCNA carried what it said was an interview with Park. “I trespassed on the border due to my wrong understanding of the DPRK caused by the false propaganda made by the West to tarnish its image,” the Tucson, Arizona, resident was quoted as saying, that he had been treated “in a kind and gentlemanly manner” and that “religious freedom is fully ensured” in the North. He allegedly said he was allowed to pray daily, his Bible was returned to him and he was allowed to attend a service at a Pyongyang church. “I would not have committed such crime if I had known that the DPRK respects the rights of all the people and guarantees their freedom and they enjoy a happy and stable life,” KCNA quoted Park as saying. “The North is making a friendly gesture towards Washington as Pyongyang is actively seeking to open dialogue with the United States,” Kim Yeon-Chul, director of the Hankyoreh Peace Research Institute, told AFP. “It also comes after President Barack Obama said that North Korea would remain off the US list of terrorist states.” (AFP, “North Korea to Free ‘Repentant’ U.S. Missionary,” February 5, 2010) Robert Park, 29, a Korean-American who was released in February after 43 days of detention, gave a harrowing account of his imprisonment, which he said included beatings, torture and sexual abuse. “The scars and wounds of the things that happened to me in North Korea are too intense,”
Park said in an interview with KBS. “As a result of what happened to me in North Korea, I’ve thrown away any kind of personal desire. I will never, you know, be able to have a marriage or any kind of relationship.” Park said he attempted suicide soon after he returned to the United States. He told the magazine Christianity Today that he had been “in and out” of psychiatric hospitals for treatment of post-traumatic stress disorder. Analysts in Seoul said such personal affronts to Kim were forbidden in the North and typically drew long prison terms or death sentences. But Park told friends in Seoul before he left that he would die with political prisoners in the North if Kim refused to free them. Park said that his apology was a fake, and that the statement had been dictated to him. He said that he had a new appreciation for the harshness and cynicism of the North Korean government, which he vowed to devote his life to fighting. (Mark McDonald, “Activist Tells of Torture in North Korean Prison,” New York Times, October 28, 2010)

Asst SecState Kurt Campbell: “Q: I would like to ask a question about the inter-Korean summit. North Korea’s position is that it prioritizes the normalization of ties with the U.S. first. That obviously means that the normalization of the ties between the U.S. and North Korea will have an impact on the inter-Korean summit. So, what is your - the U.S. government’s stance - on the peace negotiation that North Korea is talking about and what kind of impact do you think this will have on the inter-Korean summit? CAMPBELL: Let me say that the American perspective is, as we say in English, ‘first things first.’ What’s most important right now – at the top of the list, no distractions - are for the resumption of Six-Party Talks and the return of North Korea to that framework. And as part of that action, we need to see North Korea accepting and recommitting to the steps they took in 2005 and 2007. Until those steps are taken, the United States will not be prepared to either ease sanctions nor to begin discussions on other issues, like an establishment of a peace regime. However, once North Korea comes back to the Six-Party Talks and recommits to their statements and positions of 2005 and 2007, then it will be possible to conduct bilateral discussions on a range of issues and also to think about next steps in terms of other matters associated with the maintenance of peace and stability on the Korean Peninsula. It’s so important for us not to be distracted. And we need to focus on the central issue, which is the resumption of Six-Party Talks. …Q: Last year you talked about [a] ‘comprehensive package’ and my question is: Is there content of that ‘comprehensive package’ - do you have it as concrete steps? And [the] South Korean government has also been talking about the “grand bargain.” So, how much have you been consulting each other on the content or the elements of the “comprehensive package” or [the] ”grand bargain.” And in the ‘comprehensive package’ I believe is included a peace regime or peace agreement. North Korea’s stance is that it wants to reach this quickly. Do you think that the Six-Party Talks and the negotiation for peace agreement can go together? CAMPBELL: First of all let me say that the Governments of the United States and South Korea have had very close consultations on, shall we say, a comprehensive approach should North Korea come back to the Six-Party framework. And these incentives are political, they are financial, they are humanitarian and they are technical in nature, and they would come into play if North Korea took strong and clear steps towards meeting its denuclearization commitments. Now other aspects of diplomacy are possible. But the essence of the Six-Party Talks will remain on these fundamental issues associated with
nuclear matters relating to North Korea. And if we ever start to make real progress on nuclear and human rights and other issues, then it is possible to imagine a variety of diplomacy running concurrently. But I must also say we’re quite a distance from that point today, and we are still waiting for a clear sign from North Korea about returning to the Six-Party Talks.” (Assistant Secretary of State Kurt M. Campbell, Roundtable with Korean Journalists, Seoul, February 5, 2010)

A survey taken February 4-5 showed 72.7 percent of people surveyed believed that Ozawa Ichiro should resign as secretary general of the ruling DPJ over a funding scandal despite the fact he has not been indicted, the latest nationwide telephone poll by Kyodo News showed. The disapproval rate for the Cabinet of PM Hatoyama Yukio, meanwhile, edged up to 45.1 percent, staying above the approval rate for the second consecutive poll. (Kyodo, “Over 70% Want Ozawa to Resign, Cabinet Disapproval Rate at 45%: Poll,” February 6, 2010)

Addressing the National Tea Party Convention in Nashville, Sarah Palin derided his efforts at diplomacy, singling out North Korea. “We must spend less time courting our adversaries and more time working with our allies,” she said. (Kathleen Hennessey, “Palin to Tea Party Convention: ‘This Is about the People,” Los Angeles Times, February 7, 2010)

Rodong Sinmun signed article: “The Korean Peninsula has now become an acute hotspot where a war may break out any moment. It is an urgent requirement of the times to replace the outdated Armistice Agreement (AA) by a peace treaty. …The present AA would not make it possible to prevent the eruption of military conflicts by any incidental cause. An early conclusion of a peace treaty replacing the AA would help turn the relations of acute belligerency into those of peace and confidence. The long ceasefire on the Korean Peninsula unprecedented in the world history of ceasefire is just like a time-bomb in work that poses constant threat to Northeast Asia and furthermore, Asia-Pacific. A peace treaty only would bring peaceful environment to the peninsula and the rest of Asia-Pacific. The urgency for replacing the AA with a peace treaty is also related to the main trend of the present times toward reconciliation, cooperation and development, not war and confrontation. The issue of concluding a peace treaty would see a smooth solution if the U.S. comes out with the political will to make a bold switchover in its hostile policy toward the DPRK in conformity with its interests and the desire of the world peace-loving people, facing up to the changed situation and trend of the developing history. The U.S. had better make a bold decision at once to fulfill the duty it assumes in replacing the AA with a peace treaty. Steadfast is the stand of the DPRK to establish a durable peace regime on the Korean Peninsula and denuclearize it through dialogue and negotiations, the article concludes.” (KCNA, “Replacement of AA by Peace Treaty Urged,” February 7, 2010)

Wang Jiarui, head of the Chinese Communist Party’s International Department, and his delegation arrived in Pyongyang in what many analysts believe is a trip aimed at persuading the North to rejoin stalled six-party nuclear disarmament talks. Wang met with Kim Yong-il, director of the international affairs department of the Workers’ Party, in a reception hosted by the department that day, the North’s Korean Central Broadcasting Station radio said. Also present the dinner were Kim’s deputy Kim Song-
Officials from North and South Korea ended talks without an agreement on steps to restart stalled cross-border tours, as Pyongyang's top security organs warned of an attack on Seoul with what they called secret weapons. Chief South Korean delegate Kim Nam-sik said in a briefing after returning from the talks in Kaesong that North Korea maintained its refusal to allow a joint on-site investigation into the shooting. He quoted his North Korean counterparts as saying they “regret the death anyway” while they spurned the South Korean request for access to a restricted zone where Park Wang-ja was shot. “What matters is that a full account must be given” concerning the death of the 53-year-old South Korean housewife in July 2008, Kim said. While the meeting continued, two of the highest security organs in the North issued a joint statement warning of “all-out strong measures” against South Korean authorities they said were seeking to topple their communist regime. “We have world-level ultra-modern striking force and means for protecting security which have neither yet been mentioned,” the Ministry of People’s Security and the Ministry of State Security said in the statement released through official media. South Korea should “immediately disband all the plot-breeding machines and bodies of the authorities going against national reconciliation,” it said. (Yonhap, “Koreas Fail to Agree on resuming Border Tours; North Stokes Tension,” February 8, 2010) UnifMin: “On February 8, the ROK delegation compellingly insisted at the inter-Korean working-level meeting today that three preconditions – conducting a joint investigation on a South Korean tourist’s death in 2008, setting up measures to prevent the same accident from reoccurring, and establishing institutional instruments for security guarantee – should be satisfied in order to resume Mt. Kumgang and Kaesong tourism. The DPRK delegation, however, repeated what they had said before and didn’t respond to our demand, so the discussion couldn’t go further.” (Unification Ministry Press Release, February 8, 2010) North Korea provided a written guarantee for the safety of tourists at Mt. Kumkang during 2010 working level talks with the South Korean government. The draft of the inter-Korean working level agreement to resume tourism at Mt. Kumgang and Kaesong, disclosed on Nov. 26 by Democratic United Party lawmaker Hong Ik-pyo. This contradicts Seoul’s claims that it could not reopen the tourism venture because no such guarantee had been received. The draft was provided by Pyongyang during its February 2010 working level talks with the South Korean government. In it, it pledged to “fully guarantee all necessary amenities for tourism and the personal safety of tourists.” To date, the South Korean government has maintained that it cannot restart tourist trips to Mt. Kumgang because North Korea did not provide any written guarantee of visitors’ safety during the talks. But of Seoul’s three demands for resuming tourism there – an investigation into the shooting death of a South Korean tourist, measures to prevent similar incidents from reoccurring, and guarantees of tourist safety - the evidence suggest Pyongyang did at least meet the last of them, and with a written rather than oral pledge. Then-leader Kim Jong-il also made a spoken promise during an August 2009 meeting with Hyundai Group chairwoman Hyun Jung-eun, telling her he would fully guarantee all necessary tourism amenities and the personal safety of tourists. The group subsequently attempted to resume the Mt. Kumkang tourism effort based on the promise. The working level talks in February 2010 were held after Seoul decided
there needed to be a promise from the North Korean government for the safety and lives of South Korean visitors. North Korea also appears to have honored its contract with the Hyundai Group up to that point. The document stated that it would “actively cooperate for the amicable execution of the agreements reached between [North Korea’s] Asia-Pacific Peace Committee and the Hyundai Group.” But after the talks broke down in April 2010, North Korea began seizing and freezing South Korean assets within the Mt. Kumgang tourism zone, including property of the Hyundai Group and Korea Tourism Organization, and canceled the Hyundai Group’s monopoly rights for the tourism venture. It also enacted the Mt. Kumkang Special International Tourism District Act and went to work on a tourism effort with other foreigners. (Kim Kyu-won, “Newly Released Document Contradicts Seoul’s Claim on Mt. Kumgang Tourism,” Hankyore, November 27, 2012)

About 34 percent of South Koreans think increasing exchanges with the North is the best way to lower tension on the Korean Peninsula, a survey conducted by a local defense think tank showed. Nearly 30 percent cited reinforcing South Korea’s military capabilities as the most important task, while 18 percent pointed to a stronger alliance with the United States and 17.7 percent chose greater cooperation with such neighboring countries as Japan, China and Russia. In the nationwide poll of 1,261 adults, including 60 North Korea experts, 60.1 percent of respondents and 71.1 percent of experts answered positively when asked whether inter-Korean exchanges will have a positive influence in changing North Korea. The Research Institute on National Security Affairs, part of the Korea National Defense University, conducted the survey from September to October last year. Results showed that 33.6 percent of respondents pointed to the expansion of exchanges with North Korea as the most important means to reduce security threats on the peninsula. Among experts surveyed, 40 percent said cementing cooperation with the U.S. is the most significant, while 28.3 percent cited “increasing exchanges with the North” and the remaining 15 percent “reinforcing South Korea’s military power.” About 80 percent of ordinary Koreans said the North’s nuclear programs pose a threat to South Korea’s security, while an almost unanimous 98.5 percent of experts answered that the programs are threatening. Only 9.7 percent of respondents answered the same question in the negative. Almost 46 percent of ordinary Koreans and 88.3 percent of experts agreed that the North Korean regime is seeking to gain security through its nuclear weapons, while 33.1 percent and 5 percent of both groups said the aim is to get more aid from the international community. (Yonhap, “S. Koreans Say Inter-Korean Exchanges Reduce Tensions: Poll,” February 8, 2010)

North Korea’s nuclear envoy Kim Kye-gwan arrived in Beijing as Wang Jiarui, a top Chinese Community Party official in charge of international affairs, wrapped up his trip to Pyongyang. In a meeting with Wang, North Korean leader Kim Jong-il reportedly reiterated Pyongyang’s commitment to denuclearization of the Korean Peninsula, although no further details were disclosed. UN chief Ban Ki-moon’s top political adviser Lynn Pascoe was also due in Pyongyang later today. “Those brisk diplomatic efforts are a positive sign in efforts to bring North Korea back to the six-party talks,” a senior South Korean government official told Yonhap. “It is hard to expect when the six-way talks will be resumed but it is clear that a positive mood is being created,” he
said. The official said South Korea has no plan yet to send its own special envoy to Pyongyang, however. “We will first need to monitor the development of diplomatic efforts by China and other related parties,” he said. (Lee Chi-dong, “China’s Role Positive in Efforts to Resume N. Korea Nuclear Talks: Seoul,” Yonhap, February 9, 2010)

2/9-11/10 A U.N. envoy said after visiting Pyongyang that North Korea does not appear to be eager to return to the stalled six-party talks on its nuclear programs, but he urged it to do so soon without preconditions. U.N. SecGen Ban Ki-moon’s special envoy Lynn Pascoe, also told reporters in Beijing that the North Korean figures he met with made clear to him that they are unhappy with U.N. sanctions imposed in the wake of the country’s rocket and nuclear tests last year. Pascoe, who is U.N. undersecretary general for political affairs, said he urged North Korea to return to the six-party talks, which also involve South Korea, the United States, China, Russia and Japan, “without preconditions and further delay.” In Pyongyang, he met with North Korea’s No. 2 leader Kim Yong Nam, who is president of the Presidium of the Supreme People’s Assembly, and government officials, as well as with the U.N. country team and foreign diplomats. (Yonhap, “U.N. Envoy Says N. Korea Not Eager to Return to Six-Party Talks,” February 12, 2010) “Their attitude right now, certainly they’re not happy with sanctions. They’re certainly not eager, not ruling out, but not eager to return to six-party talks,” Pascoe, told reporters in Beijing. Pascoe said the country was only getting about a quarter of the aid it needed, and cited donor fatigue as one of the reasons for the shortfall. (Lucy Hornby, “North Korea Not Eager to Return to Six-Party Talks,” Reuters, February 12, 2010)

2/10/10 China has named Wu Dawei, a former vice foreign minister, special representative for Korean Peninsula affairs in charge of the six-party talks and related issues, the country’s Foreign Ministry said in a statement on its website. Though Wu, who is 64, retired as vice foreign minister late last year, he has kept serving as China’s chief nuclear negotiator and chair of six-party talks aimed at denuclearizing North Korea. On Tuesday he met with his long-time North Korean counterpart Kim Kye-gwan, who was visiting Beijing.

“The Chinese authorities seem to value the expertise Wu has accumulated chairing the talks for a long time,” a diplomatic source in Beijing said. “It looks like a vote of confidence.” (Chosun Ilbo, “China in Vote of Confidence for Nuclear Point Man,” February 11, 2010)

WikiLeaks cable: “C O N F I D E N T I A L SEOUL 000202 2/10/10 SUBJECT: DASD SCHIFFER: KOREAN NATIONAL ASSEMBLY MEMBERS PITCH “SUNSHINE POLICY”, OPCON DELAY, AND ACTION ON FTA 1.(C) Summary: In separate meetings with DASD Michael Schiffer on January 26 and 27, ruling Grand National Party (GNP) and opposition Democratic Party (DP) National Assembly Members affirmed the strength of the U.S.-ROK Alliance and discussed North Korea, wartime OPCON transition, and the KORUS FTA. The DP Members were critical of what they described as the USG’s hard-line policy toward North Korea and urged engagement in the spirit of former President Kim Dae-jung’s “Sunshine Policy”. GNP and DP Members supported delaying OPCON transition, while one DP Member advised that, if not delayed, it must be handled cautiously. GNP Members expressed their frustration at what they described as a lack of good will on the part of the USG in not acting to ratify the KORUS FTA. End
Summary. 2. (C) DASD Schiffer hosted DP National Assembly Members Park Jie-won, Park Sun-sook, and Seo Jong-pyo for dinner on January 26. Park Jie-won, currently Chairman of the DP’s Policy Committee, was former President Kim Dae-Jung’s chief of staff and secret emissary to North Korea for arranging the 2000 summit in Pyongyang between Kim Dae-jung and Kim Jong-il. Park Sun-sook was Kim Dae-jung’s press secretary. Seo Jong-pyo is a first-term National Assembly Member and retired General. DASD Schiffer hosted GNP Members Hwang Jin-ha and Cho Yoon-sun on January 27. Hwang Jin-ha, a retired Lieutenant General, is a second-term National Assembly Member and serves on the Foreign Affairs, Trade, and Unification Committee. Cho Yoon-sun is a first-term National Assembly Member, who, before entering politics, was Chief Legal Officer for Citibank Korea. 3.(C) Park Jie-won, though pessimistic that North Korea would ever abandon its nuclear weapons, said the U.S. should normalize relations, discuss a peace agreement, and provide energy assistance to reestablish trust with the North. He said North Korea tested nuclear weapons and missiles because, feeling ignored and “lonely” in the early days of the Obama administration, it was trying to draw America’s attention. Moreover, because, according to Park, the U.S. seemed to be currently preoccupied with fighting terrorism and relief efforts in Haiti, the North could be preparing a new round of provocative acts. The possibility of armed conflict was real, Park said, and the North’s call for peace regime talks was not mere rhetoric. The potential for dialogue existed, but the choice was not North Korea’s; it was up to the U.S. and the other Six Party Talks members to woo North Korea back to negotiation, said Park. Nevertheless, Park said, “I don’t think they will abandon nukes in the final stage. The most they will do is seal the facilities. Then they will want to verify U.S. nuclear capability in the ROK. It is unreasonable.” 4.(C) DASD Schiffer, recounting the history of U.S. efforts to engage North Korea, including President Obama’s offer of an outstretched hand in his inaugural address, told Park Jie-won it would be “absurd” to attribute the development of Kim Jong-il’s nuclear program to North Korea being “lonely”. The choice, DASD Schiffer said, was North Korea’s to make: to walk through the open door of engagement or not. In exchange for verifiably abandoning its nuclear weapons, North Korea would find the U.S. willing to normalize relations, negotiate a peace agreement, and provide aid. DASD Schiffer noted that action for action worked both ways: negative DPRK actions, such as missile launches and nuclear tests, resulted in negative U.S. actions, such as sanctions. He asked what more the U.S. could do to induce North Korea to dialogue, especially given our attempts to engage North Korea had resulted in North Korean provocations. 5.(C) Seo Jong-pyo, representing the conservative wing of the DP, said that North Korea, from the perspective of former President Kim Dae-jung’s “Sunshine Policy”, was South Korea’s brother. But from a security perspective, the retired general said North Korea was the enemy. The strong U.S.-ROK Alliance made ROK engagement with the North possible during the Kim Dae-jung and Roh Moo-hyun administrations, but the North’s 2006 nuclear test was a turning point that revealed the North’s true intentions. “The nuclear issue,” Seo said, “can only be resolved if the regime collapses.” Park Jie-won, who had invited Seo to the dinner, laughed, “He is very conservative.” 6.(C) Park Jie-won said time was of the essence to strike a deal with Kim Jong-il before he died, because nobody else had the decision making authority to make a deal stick, and before the North succeeded in miniaturizing its nuclear weapons. Park emphasized that the Sunshine Policy was the least expensive method to resolve the nuclear issue
with North Korea. DASD Schiff"er noted that rewarding bad behavior set up bad incentives and created a moral hazard, which would not lead to a successful resolution. The DP, Park added, would welcome and support a summit between Lee Myung-bak and Kim Jong-il. Park worried about instability that might result from the North Korean government's inability to fulfill expectations it had raised by promising economic improvements by 2012. He said the currency revaluation was an example of the government's attempt to regain control of the economy. The pressure on Kim Jong-il to produce results was immense, he speculated, making it more likely that his health would deteriorate further. 7. (C) Park Jie-won, based on recent conversations he had with Chinese government officials, said China did not take the sanctions against North Korea seriously. China's position, he said, was that the South and North should work out their differences like two brothers but that President Lee was blocking progress. China was worried that if the North's nuclear weapons program was not halted, the ROK, Japan, and maybe even Taiwan would also seek nuclear weapons. The only solution in China's view, according to Park, was for the U.S. to engage in dialogue with the North, lift sanctions, give the North a security guarantee, and provide aid. Park agreed, though, that North Korea was making the "biggest mistake in a history of mistakes" by continuing its provocative actions and rhetoric. He lamented that North Korea was holding the threat of war as leverage over Seoul. 8. (C) GNP Member Hwang Jin-ha said planning for contingencies in the North was critical because Kim Jong-il's poor health and the destabilizing effects of the sanctions increased the likelihood of contingency situations. Hwang said it was important to find a way to signal to China and Russia what U.S. and ROK expectations were "to educate them on how we expect to see things unfold." 9. (C) GNP and DP members were nearly unanimous that the planned transition of wartime operational control (OPCON) to the ROK in 2012 should be delayed. Only DP Rep. Park Sun-sook said it should proceed, but added that the matter called for careful handling lest it spark a domestic political crisis in the ROK or, worse, embolden the DPRK to take advantage of what it might see as an opening. The Korean public, they all said, believed OPCON transition meant the U.S. commitment to the ROK's defense was decreasing. Moreover, 2012 would be a potentially volatile year with presidential and National Assembly elections in the ROK, a presidential election in the U.S., a Party Congress and new President in China, and the (likely disappointing) culmination of North Korea's effort to become a "strong and prosperous nation". 10. (C) Hwang Jin-ha, reflecting a broad consensus in the ruling GNP, argued strongly for delaying the planned transition of wartime OPCON to the ROK in 2012. Hwang said the agreement between former President's Bush and Roh to transition OPCON was "like a bad marriage" with each side hiding its true intentions from the other. The U.S. side, according to Hwang, saw that it had an opportunity for "strategic flexibility" while for Roh it was an ill-guided matter of reclaiming Korea's sovereignty. It was clear, in hindsight he said, that Roh's judgment on security matters was deeply flawed because he did not see North Korea as a threat; he claimed that this flaw remained the basis of the OPCON transition agreement. Hwang said in light of the current nuclear security threat in North Korea, taking any unreciprocated act to weaken -- as Hwang saw it -- Korea's security posture would be a mistake. 11. (C) OSD Senior Country Director for Korea Brian Arakelian told Hwang that the process of preparing for OPCON transition had strengthened U.S.-ROK combined defenses and the bilateral assessment of the strategic environment because it had prompted a
necessary reevaluation of contingency plans and the desired bilateral assumptions and end-states for the peninsula inherent in those plans. With or without OPCON transition, Arakelian said, the ROK would play a lead role in the event of conflict -- in a manner not accounted for in current plans and command relationships. Preparation for OPCON transition, therefore, had resulted in bilateral plans and alliance structures and arrangements &catching up to the reality of today,s security environment -- ensuring the U.S. and ROK were better prepared &rather than the claim by many that the transition was neglecting consideration of that strategic environment. Representative Cho replied that while valid points, such arguments were difficult to convey to the ROK public. Arakelian further asserted that it was perplexing how the ROK public could be persuaded to support ROK forces deploying to Afghanistan and elsewhere globally, and yet not be convinced of the necessity of the ROK,s lead role in its own defense, or of viewing the ROK,s global commitments in the context of impacts on the combined defense (alluding to the ROK public,s apprehension with U.S. strategic flexibility).

12.(C) DP Members Park Jie-won and Seo Jong-pyo said OPCON transition should be delayed. Seo's opinion was based on his assessment that OPCON transition would harm the ROK's security posture. Park Jie-won, implicitly criticizing the Roh administration, said the ROK's agreement to OPCON transition during the Roh Administration was based on the assumption of a small group of Koreans that it would be better for USFK to leave Korea. That assumption, he said, does not accurately reflect Korean opinion. Rep. Park Sun-sook said that if OPCON transition did not mean that USFK would be "hands off" in a war on the peninsula, then it should proceed as planned, but very quietly and without publicity. 13.(C) GNP Rep. Hwang Jin-ha was critical of the U.S. delay in ratifying the KORUS FTA. Hwang said ratification of the FTA was strategically important because it would send a signal to the region that the U.S.-ROK alliance was strong. GNP Rep. Cho Yoon-sun said that the lack of action in ratifying the FTA would cast doubt on U.S. commitments beyond the economic sphere.

14.(C) DASD Schiffer told Hwang and Cho that while he understood and appreciated the strategic significance of the FTA, the U.S.-ROK Alliance was more than the FTA and that we should not make the decision to ratify the FTA a proxy for the entire future of the alliance. There were other ways, he said, to also signal the strength of the relationship. 15.(U) DASD Schiffer cleared this message. STEPHENS”
UN Security Council member, to play an active role in lifting the UN sanctions, the source said. The negotiators also reportedly sought Beijing’s backing for their demand that the United States agree to start talks about a permanent peace treaty before the nuclear forum resumes. China stressed North Korea should first return to the dialogue table and ease its tough conditions, the source was quoted as saying. Pyongyang was reportedly playing hardball despite its own worsening food shortages and international efforts to revive the six-party forum. (AFP, “North Korea Demands End to Sanctions at Beijing Talks,” February 11, 2010)

DPRK FoMin spokesman: “The delegation led by Kim Kye Gwan, vice-minister of Foreign Affairs, visited China from Feb. 9 to 13 at the invitation of Wu Dawei, special envoy of the Chinese government for the affairs of the Korean Peninsula. During the visit both sides had an in-depth discussion on the issue of boosting the DPRK-China relations and matters of speeding up the denuclearization of the peninsula through confidence building such as the conclusion of a peace treaty, the lifting of sanctions and the resumption of the six-party talks.” (KCNA, “Spokesman for DPRK Foreign Ministry on Its Delegation’s China Visit,” February 13, 2010)

2/11/10

North Korea must rejoin six-party talks on its nuclear programs and allow irreversible progress in denuclearization if it wants a lasting peace regime on the Korean peninsula, South Korea’s Unification Minister said. “To establish a durable peace regime, the starting point should be the time when North Korea returns to the six-party talks and makes progress in achieving irreversible denuclearization,” Hyun In-taek told a forum. “North Korea’s proposal for a peace treaty is not a positive signal geared toward making progress in denuclearization,” he said. “If we fail to create a breakthrough in resolving the North Korean nuclear conundrum in the near future, the political situations on the Korean Peninsula will become extremely unstable.” (Sam Kim, “Lasting Peace Regime Only Possible When N. Korea Denuclearizes: Minister,” Yonhap, February 11, 2010)

South Korean FM Yu Myung-hwan and Japan’s visiting FM Okada Katsuya called for joint efforts to mend ties between their countries as the Japanese minister offered a rare apology for Japan’s 1910-45 colonial rule of Korea. “Regarding what happened 100 years ago, Japan deprived Koreans of their nation and left a great wound on their national pride,” Okada told a joint press conference with Yu after their talks here. “I can understand the feelings of the people who were deprived of their nation and had their national pride damaged,” he added. “We should not forget the pain of the victims [of the colonization].” The Japanese foreign minister was earlier misquoted by his interpreter as calling the Japanese colonial rule of Korea a “tragic incident.” Still, Okada’s remarks were widely viewed as an apology as the countries were set to mark this year the 100th anniversary of the start of Japan’s colonial rule of Korea. Okada also said the Tokyo government stands by a 1995 statement issued by then Japanese PM Murayama Tomiichi in which Japan offered a “heartfelt apology” for causing “tremendous damage and suffering to the people” of countries colonized or invaded by Japan. “Minister Okada and I noted the relationship between the two countries is becoming closer than ever and we agreed to further develop our relations while working to solve the issues related to the countries’ past history,” Yu told the press conference. Seoul and Tokyo established relations in 1965, but their ties have often
been strained by what many South Koreans believed were Japanese attempts to whitewash its past wrongdoing. “While doing so (keeping in mind the past sufferings of Korean victims), I believe we must move toward building a truly friendly and future-oriented relationship for the next 100 years to come,” Okada told the press conference. (Byun Duk-kun, “S. Korea, Japan Call for Fresh Start, Resumption of 6-Way Talks,” Yonhap, February 11, 2010)

North Korea plans to open up 12 special zones for foreign investors in an attempt to shore up its crumbling economy, Dong-A Ilbo reported, quoting sources in China. It said the communist state’s parliament would pass a law next month declaring the zones in five or six cities - describing the move as a limited Chinese-style economic reform -- said foreign firms would be allowed to rent cheaply for 50 years, either on their own or jointly with a local partner. Dong-A said the zones would be in cities including the capital Pyongyang, the southern border city of Kaesong which already has a Seoul-funded jointly-run industrial estate, Sinuiju on the northwestern border with China and Rason in the northeast near the Chinese and Russian border. Dong-A said Sinuiju would specialize in light industries, information technology and tourism. The North has already declared special zones in Sinuiju and Rason and it was unclear how the reported new law would change their status. A policy-setting New Year editorial stressed the need to develop light industry and agriculture to boost living standards, with the help of foreign investment. (AFP, “North Korea to Woo Foreign Investors,” February 11, 2010)

In a plenary session Thursday morning, the National Assembly’s Unification, Foreign Affairs and Trade Committee passed the North Korean Human Rights Law. All of the Democratic Party lawmakers who hold seats on the committee walked out after expressing their opposition to the bill and issued a statement condemning the law. The North Korean Human Rights Law calls for the establishment of an advisory committee for North Korean human rights within the Unification Ministry, the establishment of a North Korean human rights foundation to conduct studies on North Korean human rights, research policy and conducting activities to improve human rights in North Korea, provision of support for civic groups related to North Korean human rights, the submission of reports on North Korea’s human rights situation to the National Assembly and increasing limits for humanitarian aid to North Korea to prevent its use by the North Korean military. The DP the DP condemned the law, and criticized the ruling Grand National Party (GNP) for railroading the law through the committee, saying it plans to take committee Chairman Park Jin to the National Assembly Ethics Committee for ignoring their objections. In its statement the DP is saying the law would not contribute to improvements in North Korean human rights, rather, they are saying it is an ‘Anti-North Korean Citizens Law,’ and the North Korean government, who views the law as a threat to their government, could repress the actual human rights of North Koreans by strengthening its controls over them. The DP also says the law bans humanitarian aid to North Korea by strictly limiting humanitarian assistance and is a ‘New Right Support Bill’ to support groups that send balloons and pamphlets to North Korea under the guise of promoting North Korean human rights. DP Lawmaker Chung Dong-young said the current administration is setting as its departure point the Basic Agreement of 1991, signed during the Roh Tae-woo administration, but the law
clashes with the spirit of the agreement, which calls on both countries not to slander or commit libel against the other country’s government. Chung asked whether the administration could hold an inter-Korean summit with this law in effect. Civic groups also slammed the law. Koo Kab-woo, head of the People’s Solidarity for a Participatory Democracy’s Center for Peace and Disarmament, said it is possible to address the North Korea human rights issue under the Inter-Korean Relations Development Law passed by the ruling and opposition parties in December 2005, and he does not understand why it was necessary to unilaterally pass the North Korean Human Rights Law at this time. Suh Bo-hyuk, research fellow of the Korea National Strategy Institute, said there is concern that by making the Ministry of Unification the primary body to handle North Korean human rights policy, the law could weaken the ability of the ministry to negotiate with North Korea and have an adverse effect on the development of inter-Korean relations and bringing about substantive improvements in North Korean human rights. (Hankyore, “GNP Lawmakers Pass North Korean Human Rights Law, February 12, 2010)

Despite talks of an inter-Korean summit in Seoul, the ruling GNP did what critics believe will dash any hope of a meaningful dialogue with North Korea. Of course, its proponents argue that a bill on North Korea was long overdue and will improve the life of ordinary North Koreans. The North Korean Human Rights bill was passed by GNP members of the National Assembly Foreign Affairs, Trade and Unification Committee. Some opposition members boycotted the vote, and more partisan fighting is expected during a parliamentary review. The bill would call for more transparency in the delivery, distribution and monitoring of aid to North Korea, and the creation of an ambassadorial post for North Korean Human Rights in the MOFAT. The bill would also establish the North Korean Human Rights Foundation and its mandate for keeping track of North Korean human rights violations and calls for funding for relevant non-governmental organizations. The bill is the third of its type following the United States and Japan but is more stringent than the two others. UnifMinHyun In-taek, called the passage “very meaningful because it provides a legal and institutional basis for establishing North Korean human rights policies and enables their systematic and effective implementation.” The main opposition Democratic Party vowed to veto the bill, with its members refusing to participate in the standing committee vote. The DP and other critics of the bill criticize the bill because they believe it is a politically-motivated legislation that does nothing to promote the exchange and cooperation needed to actually improve the lives of ordinary North Korean citizens. “Subjecting the provision of aid to increased transparency will result in the suffering of ordinary citizens because the North Korean regime would rather let their people starve than open itself up to the level of transparency the bill calls for,” Rep. Song-min soon of the DP said in a recent online essay. Alternatively, Song urged the government to increase inter-Korean contact and cooperation, establish a fund for supporting the settlement of North Korean defectors and opt for the forming of a resolution rather than a bill in criticizing North Korean human rights practices. The former foreign minister, who is known to have played a large part in drafting the foreign and inter-Korean policy sections of the “New Democratic Party Plan,” underlined that the bill runs counter to its original purpose. The DP party platform was announced earlier this month. (Do Je-hae, “Seoul’s N.K. Tights Bill Likely to Be Obstacle for Summit, Korea Times, February 16, 2010)
North Korea's top nuclear negotiator is expected to visit the United States next month on a trip that could signal the resumption of stalled six-way talks on the communist state's denuclearization, a diplomatic source here said. Kim Kye-gwan, also North Korea's vice foreign minister, has been in Beijing since Tuesday for discussions on ways to resume the nuclear talks with China's former vice foreign minister Wu Dawei, who was named this week as the special representative for Korean Peninsula affairs. “I believe the dates for Kim's trip to the United States have already been set,” the source said. (Yonhap, “Top N. Korean Nuclear Negotiator Set to Visit U.S. in March: Source,” February 12, 2010) Another source said Kim appears to have informed Washington of his intention to travel during his Beijing stay but added, "It's not clear whether the United States had accepted the proposal.” South Korean nuclear officials said they couldn’t immediately confirm Kim’s traveling schedule. But they said earlier this week that they had been aware of Kim’s visit here “well ahead of time.” (Chang Se-jeong and Yoo Jee-ho, “North Envoy May Soon Visit U.S. for Nuclear Arms Talks,” JoongAng Ilbo, February 13, 2010)

DoS spokesman Philip Crowley: “Q: P.J., there’s some reporting out there that the North Korean nuclear negotiator Kim Kye Gwan will be coming to the United States next month. Apparently, some sort of - possibly as a reciprocal visit for Bosworth, and also Lynn Pascoe’s mission to North Korea. He came back and he said that they seemed to be disinclined to return to the Six-Party Talks unless the sanctions by the UN are lifted. CROWLEY: On your - on the first issue, we have no plans for such a visit at this point. On the second, yeah - I mean, we have heard from the North Koreans that they recognize the importance of the Six-Party process. What we need now is for them to pull the trigger and actually come back to that process. Q: Good choice of words. CROWLEY: (Laughter.)CROWLEY: All right, all right. Of course, that's the kind of trigger we think is appropriate to pull, as opposed to a trigger that fires something into the air that we think is destabilizing to the region. So they're hesitating, and they shouldn't. We think the - obviously, resolving the situation will require them to come back to the Six-Party process to take the kind of steps to meet the commitments that they've made in the past. We don't see any other alternative to this. And it's unfortunate that it would appear that they continue to hesitate. Q: You said there are no plans for a visit right now, but does that mean you’re discussing it somehow through the New York channel? CROWLEY: There’s no discussion that we’re having with North Korea about a visit at this point.” (DoS Daily Briefing, February 12, 2010)

North Korea may take some time before it returns to six-nation talks on ending its nuclear program, but the communist nation certainly wants to improve its ties with South Korea, a senior U.N. official said after his trip to Pyongyang. Lynn Pascoe, under-secretary-general of the United Nations for political affairs, said he had a “fair amount of discussions” with North Koreans on ways to improve South-North ties. “I don’t really want to go into the details. Mainly the issue was that in general they did want to improve the relations (with South Korea), but the specifics are another issue, of course,” he told reporters after arriving at Incheon International Airport from China. The U.N. official had been on a four-day trip to the North Korean capital. “We think the
trip was very useful. We worked quite hard to improve the reengagement with the North and the United Nations and I think in that we were quite successful,” he said. (Byun Duk-kun, “U.N. Official Says N. Korea Wants Improved Ties with Seoul,” Yonhap, February 13, 2010)

WikiLeaks cable: Monday, 22 February 2010, 08:54  see 2/3/10

2/14/10 South Korea will press for the release of its nationals believed to be held in North Korea when the divided states hold reconciliation talks this year, a senior official said. Hundreds of South Korean prisoners of war remain in North Korea, according to the defense ministry, even though the North denies holding any from the 1950-53 Korean War. North Korea has also abducted over 480 South Koreans, mostly fishermen, since the three-year war ended in a truce, the Unification Ministry says. “This issue will be treated as an important topic along with the North Korean nuclear issue if South and North Korea start dialogue,” Vice UnifMin Hong Yang-ho said. “We have made preparations with the determination to make a breakthrough in these issues this year.” (Yonhap, “S. Korea to Seek Release of Nationals in Talks with North: Official,” February 14, 2010)

2/15/10 Seoul has been pushing to launch security talks involving South Korea, China and Japan to discuss military and security matters in an effort to reinforce their cooperation in the region, a senior South Korean government official said. “Discussions are under way to launch security talks involving South Korea, China and Japan,” the official said, requesting anonymity. “We are mediating opinions of the related countries to push ahead with its launch by the end of this year.” The security body will be composed of senior-level military officials from the three nations who will regularly meet to discuss military and security issues in the region, the official said. (Yonhap, “S. Korea, Japan, and China Seeking to Establish Security Talks,” February 15, 2010)

China is arranging a huge foreign investment deal to revive North Korea’s faltering economy amid an international drive to coax Pyongyang back to nuclear disarmament talks, Yonhap reported. Beijing is helping the communist state obtain more than 10 billion dollars in investment from Chinese banks and multinational firms. The deal was discussed a week ago when North Korean leader Kim Jong-Il met China’s senior communist party official Wang Jiarui, it said. A North Korean body known as the Korea Taepung International Investment Group plans to conclude the deal in March, Yonhap said, adding that Chinese capital would account for 60 percent of total investments. (AFP, “China Arranging Foreign Investment Deal for N. Korea: Report,” February 15, 2010)

2/16/10 North Korea’s nominal head of state Kim Young-nam says Pyongyang will end hostile relations with the United States through dialogue and negotiations. The conciliatory rhetoric came in a speech in Pyongyang marking the 68th birthday of North Korean leader Kim Jong-il today. The no. 2 leader also said that North Korea stands “steadfast” in improving relations with South Korea and paving a way to reunification. (Chosun Ilbo, “N. Korea Wants to ‘End Hostility’ with U.S.,” February 16, 2010)
A U.S. scholar said Tuesday that North Korea could produce up to 14 to 18 nuclear warheads by 2019 if multilateral talks on its denuclearization fail. In a report, titled “Four Scenarios for a Nuclear North Korea,” Joel Wit, visiting fellow at the U.S. Korea Institute at the School of Advanced International Studies, Johns Hopkins University, said that North Korea’s “current nuclear stockpile is believed to consist of sufficient plutonium to build four to eight weapons.” He was quoted as saying by Yonhap, “By using existing stocks of fresh fuel, North Korea could produce a bomb’s worth of plutonium each year from 2011 to 2013.” Wit continued: “If North Korea is able to refurbish its fuel fabrication plant, that production rate could continue indefinitely with its arsenal reaching 14 to 18 weapons by 2019.” The Korea Institute for Defense Analyses reported in December that the North’s military could accelerate efforts to deploy a nuclear-tipped intercontinental ballistic missile and mass produce warheads. The report said Pyongyang would likely conduct a third nuclear test this year in an effort to be recognized by the international community as a nuclear state. “Compared to the first test held in October 2006, the second (conducted on May 25, 2008) was evaluated to yield 4 kilotons of explosive power, five times more than the first one,” it said. “This means North Korea has secured a substantial capability to make nuclear weapons.” (Jung Sung-ki, “N. Korea to Possess 14-18 Nuclear Warheads by 2019,” Korea Times, February 17, 2010)

2/17/10

Wikileaks cable: Monday, 22 February 2010, 09:32
SECRET SEOUL 000272
SIPDIS
EO 12958 DECL: 02/22/2034
TAGS: PREL, PGOV, KNNP, ECON, SOCI, KS, KN, JA, CH
SUBJECT: VFM CHUN YOUNG-WOO ON SINO-NORTH KOREAN RELATIONS

Classified By: AMB D. Kathleen Stephens. Reasons 1.4 (b/d).

Summary

1. South Korea’s vice Foreign Minister Chun Yung-woo tells the Americans that senior Chinese officials have told him that China is fed up with the North Korean regime’s behaviour and would not oppose Korean reunification. Chun says North Korea has already collapsed economically and will collapse politically when Kim Jong-il dies.

Key passage highlighted in yellow.

Summary

1. (S) Vice Foreign Minister Chun Yung-woo told the Ambassador February 17th that China would not be able to stop North Korea’s collapse following the death of Kim Jong-il (KJI). The DPRK, Chun said, had already collapsed economically and would collapse politically two to three years after the death of Kim Jong-il. Chun dismissed ROK media reports that Chinese companies had agreed to pump 10 billion USD into the North’s economy. Beijing had “no will” to use its modest economic leverage to force a change in Pyongyang’s policies -- and the DPRK characterized as “the most incompetent official in China” -- had retained his position as
chief of the PRC’s 6PT delegation. Describing a generational difference in Chinese attitudes toward North Korea, Chun claimed XXXXXXXXXX believed Korea should be unified under ROK control. Chun acknowledged the Ambassador’s point that a strong ROK-Japan relationship would help Tokyo accept a reunified Korean Peninsula.

End summary.

VFM Chun on Sino-North Korean Relations...

2. (S) During a February 17 lunch hosted by Ambassador Stephens that covered other topics (septel), ROK Vice Foreign Minister and former ROK Six-Party Talks (6PT) Head of Delegation Chun Yung-woo predicted that China would not be able to stop North Korea's collapse following the death of Kim Jong-il (KJI). The DPRK, Chun said, had already collapsed economically; following the death of KJI, North Korea would collapse politically in "two to three years." Chun dismissed ROK media reports that Chinese companies had agreed to pump 10 billion USD into the North’s economy; there was "no substance" to the reports, he said. The VFM also ridiculed the Chinese foreign ministry’s "briefing" to the ROK embassy in Beijing on Wang Jiarui’s visit to North Korea; the unidentified briefer had "basically read a Xinhua press release," Chun groused, adding that the PRC interlocutor had been unwilling to answer simple questions like whether Wang had flown to Hamhung or taken a train there to meet KJI.

3. (S) The VFM commented that China had far less influence on North Korea "than most people believe." Beijing had "no will" to use its economic leverage to force a change in Pyongyang’s policies and the DPRK leadership "knows it." Chun acknowledged that the Chinese genuinely wanted a denuclearized North Korea, but the PRC was also content with the status quo. Unless China pushed North Korea to the "brink of collapse," the DPRK would likely continue to refuse to take meaningful steps on denuclearization.

4. (S) Turning to the Six Party Talks, Chun said it was "a very bad thing" that Wu Dawei had retained his position as chief of the PRC’s delegation. XXXXXXXXXX said it appeared that the DPRK "must have lobbied extremely hard" for the now-retired Wu to stay on as China’s 6PT chief. [NAME REMOVED] complained that Wu is the PRC’s XXXXXXXXXX an arrogant, Marx-spouting former Red Guard who "knows nothing about North Korea, nothing about nonproliferation and is hard to communicate with because he doesn’t speak English." Wu was also a hardline nationalist, loudly proclaiming -- to anyone willing to listen -- that the PRC’s economic rise represented a "return to normalcy" with China as a great world power.

China’s "New Generation" of Korea-Hands...

5. (S) Sophisticated Chinese officials XXXXXXXXXX stood in sharp contrast to Wu, according to VFM Chun. XXXXXXXXXX Chun claimed XXXXXXXXXX believed Korea should be unified under ROK control. XXXXXXXXXX, Chun said, were
ready to "face the new reality" that the DPRK now had little value to China as a buffer state -- a view that since North Korea's 2006 nuclear test had reportedly gained traction among senior PRC leaders.

PRC Actions In A DPRK Collapse Scenario...

6. (S) Chun argued that, in the event of a North Korean collapse, China would clearly not welcome any U.S. military presence north of the DMZ. XX.XXXXXXX Chun XXXXXXXXXX said the PRC would be comfortable with a reunified Korea controlled by Seoul and anchored to the United States in a "benign alliance" -- as long as Korea was not hostile towards China. Tremendous trade and labor-export opportunities for Chinese companies, Chun said, would also help salve PRC concerns about living with a reunified Korea. Chun dismissed the prospect of a possible PRC military intervention in the event of a DPRK collapse, noting that China's strategic economic interests now lie with the United States, Japan, and South Korea -- not North Korea. Moreover, Chun argued, bare-knuckle PRC military intervention in a DPRK internal crisis could "strengthen the centrifugal forces in China's minority areas."

...and Japan

7. (S) Chun acknowledged the Ambassador's point that a strong ROK-Japan relationship would help Tokyo accept a reunified Korean Peninsula under Seoul's control. Chun asserted that, even though "Japan's preference" was to keep Korea divided, Tokyo lacked the leverage to stop reunification in the event the DPRK collapses. STEVENS

S E C R E T SEOUL 000273  2/22/11

SUBJECT: VFM CHUN WARNS THAT ROK-U.S. CIVILIAN NUCLEAR COOPERATION AGREEMENT RENEGOTIATION COULD BECOME "DEFINING" ISSUE IN BILATERAL RELATIONS

¶1. (S) Vice Foreign Minister Chun Yung-woo told the Ambassador February 17th that revising the ROK-U.S. Civilian Nuclear Cooperation Agreement (CNCA) could soon become a "defining issue" in ROK-U.S. relations. The issue, he warned, was already drawing significant amounts of negative press attention and had to be handled skillfully. The ROK was now one of the world's top five nuclear power producers; other members of that "club," including Japan, all had the capability to reprocess spent fuel. Public opinion would not tolerate the perception that Korea was being discriminated against vis-a-vis Japan, Chun emphasized. The ROKG view of the way forward was for very quiet negotiations, with no publicity, resulting in a USG agreement that Korea had the right to reprocess. That, Chun claimed, would defuse critics and shift public debate to the issue of cost. The budget-busting cost of a reprocessing facility meant that the ROK would not actually reprocess spent fuel "during the next 20 years, although a reprocessing facility would eventually be built, likely near Kyongju. Negotiations had to begin in the second half of 2010, Chun argued, with the USG represented by an ambassadorial-level official. End Summary.
2. (S) This was an unusually strong presentation from an able and experienced diplomat with a strong affinity for the United States. Koreans, and the Lee Myung-bak Administration in particular, are extremely proud of having won the recent nuclear reactor contract for the United Arab Emirates, and view the nuclear industry as both a source of national pride and a significant contributor to the economy. Chun’s presentation over lunch was probably an opening gambit rather than the ROKG’s bottom line, and we do not agree with the way that Chun characterized various aspects of this complicated issue, but he is right to flag the potential for damage to the overall bilateral relationship if the United States is perceived here as hamstringing the ROK effort to develop its nuclear industry. This will need careful handling. End Comment. 3. (S) During a February 17 lunch hosted by Ambassador Stephens that covered other topics (septel), ROK Vice Foreign Minister Chun Yung-woo emphasized the urgent need to revise the ROK-U.S. Civilian Nuclear Cooperation Agreement (CNCA), which is set to expire in 2014. The issue, he warned, was already drawing significant amounts of negative press attention and attracting “grandstanding politicians” like Liberty Forward leader Lee Hoi-chang, who earlier in the day had publicly lectured a MOFAT Director-General about the need to “regain our nuclear sovereignty.” The ROK was now one of the world’s top five nuclear power producers/users; other members of that “club,” including Japan, all had the capability to reprocess spent fuel. Public opinion would not tolerate Korea being discriminated against vis-a-vis Japan, Chun emphasized. 4. (S) Chun asserted that revising the CNCA could, in time, become a “defining issue” in ROK-U.S. relations. It had to be handled with tact, skill, and “very little publicity,” Chun stressed. Summarizing the ROKG view of the issue, the VFM said political conservatives strongly believe the ROK unfairly forfeited its right to reprocess spent fuel by signing the 1992 “Joint Declaration of South and North Korea on Denuclearization of the Korean Peninsula.” With the rapid growth and sophistication of the ROK civilian nuclear energy industry, Chun said, it now made economic sense for the ROK to consider reprocessing. 5. (S) The CNCA needed to be revised to permit reprocessing and completed by the end of 2013 at the latest but preferably by the end of 2012, according to the vice foreign minister. Simply renewing the agreement would be unacceptable, Chun said, explaining that renewal would be viewed “as a fiasco” by politicians across the political spectrum. Chun asserted that the ROK should quickly be given the right to reprocess. That, he explained, would defuse critics and shift public debate to the issue of cost. The estimated USD 10 billion, budget-busting price tag of a reprocessing facility meant that the ROK would not actually reprocess any spent fuel “during the next 20 years,” according to Chun, who added that building a storage facility was a lot cheaper. 6. (S) At some future point, though, Korea would have to build a reprocessing facility, Chun continued. Even if the United States, China, or Russia agreed to store ROK spent fuel, transporting it was costly and potentially dangerous, as environmental protesters would be out in force at key Korean ports. The Korean Hydro and Nuclear Power Corporation (KHNPC), Chun said, would probably build a reprocessing facility near Kyongju and the massive Wolsong nuclear power site. The KHNPC has already publicly pledged to move its headquarters to Kyongju, Chun explained, adding that the KHNPC would likely “sell” the reprocessing facility to the public as a potential hub of high-tech, high-paying jobs that would be a huge boost to the local economy. 7. (S) In terms of the negotiation process, Chun said the joint feasibility study on
pyroprocessing was a good start. (Note: Post delivered a non-paper January 22 outlining the conditions under which the U.S. would be able to undertake with the ROK a joint study of the technical, economic, and non-proliferation aspects of pyroprocessing. We are still awaiting a formal response from the ROKG. End note.) The study, though, would take at least two years. Chun stressed that the two sides “can’t just wait and leave it to the experts.” Formal talks had to begin in the second half of 2010, Chun argued. The lead ROK negotiator was Deputy Foreign Minister Cho Hyun, an ambassadorial-level official; the State Department, Chun said, needed to appoint an ambassador as Cho’s counterpart. It would be unacceptable to the ROK to have the United States represented by a State Department office director-level official, Chun stressed. STEPHENS

2/18/10

Former North Korean agent Kim Hyon Hui told Japanese officials last May that she had met Yokota Megumi, who was abducted to North Korea in 1977, according to Nakai Hiroshi, state minister in charge of the abduction issue. Nakai was quoted as saying during a meeting of lawmakers handling the abduction issue that he will try to invite Kim to Japan because Yokota’s parents want to meet her. According to lawmakers who attended the meeting, Nakai said Kim, 48, made the remarks about meeting Yokota when she was questioned last May by Foreign Ministry and National Police Agency officials sent from Tokyo to South Korea, where the former North Korean operative now lives. Nakai only learned about Kim’s remarks recently, he was quoted as saying.

Last March, when Kim met with the brother and son of another Japanese abductee, Taguchi Yaeko, in Busan, she said at a news conference, “Megumi was teaching Japanese to my fellow agent, Kim Suk Ki, and I’ve seen a photo of the two taken together.” Kim also said, “She married a South Korean, gave birth to a daughter and has been admitted to a hospital, but I was told that her condition was not that severe.” Kim was convicted of the 1987 downing of a South Korean jetliner. (Kyodo, “Spy Admitted Meeting Yokota in the North: Nagai,” Japan Times, February 18, 2010)

WikiLeaks cable: Thursday, 18 February 2010, 04:57 see 2/3/10

The envisioned forestation project in North Korea, one of the Lee administration’s key policy objectives, is still far from being realized as Seoul has no plans to discuss it with the North yet. A North Korean point man on South Korea had sought to meet with Seoul’s head of a presidential panel to discuss the tree planting plan among others, but Seoul turned down the request. Won Dong-yeon, deputy director of the United Front Department under the North Korean Workers’ Party, had conveyed through authorities that he would like to meet with Goh Kun, chief of the Presidential Committee on Social Cohesion, in Beijing early this month, sources said. Won’s proposal came after the presidential panel last month announced as one of its 10 major tasks a bipartisan forestation project in North Korea. The meeting with Goh never happened, and Won blamed it on Seoul’s Unification Ministry during a meeting with South Korean NGO figures in Beijing, according to Kim Kyu-chul, representative of civic group South-North Forum. Won claimed that the ministry broke agreements between special envoys on a summit and rice aid to the North, Kim said. The North Korean official also accused Seoul of making public remarks on a summit “for its own needs, when a summit must be prepared in strict confidence.” The project is something that can be discussed in working-level talks and besides, Won Dong-yeon is of a lower rank.
compared to Goh, a former prime minister who currently assumes a post of prime ministerial level,” said Yang Moo-jin, professor at the University of North Korean Studies. “But what is most important for the tree planting scheme is our government’s will. If realized, it can greatly help improve inter-Korean relations as the South would have to hire North Korean workers to look after the trees.” The forestation project in North Korea has been on the Lee administration’s list of major policy tasks for the past two years. UnifMin Hyun In-taek said his government will push for the forestation project as a top priority in inter-Korean cooperation once the two sides begin a full-fledged dialogue. “Inter-Korean cooperation for forestation would be related to our aid to the North and ultimately to the North’s economic development,” Hyun said in a conference on the tree planting scheme early this month. “The South and North must share a long-term vision for green growth in order to achieve sustainable growth after unification amidst the global climate change.” About 2.84 million hectares, or 32 percent of the 8.99-million-hectare forest area in the North, were without trees in 2008. Compared to 1999, the treeless area increased by 1.21 million hectares, about 20 times the size of Seoul. (Kim So-hyun, “Seoul Not Ready for N.K. Reforestation,” Korea Herald, February 19, 2010) North Korea is still demanding rice and fertilizer in return for an inter-Korean summit, even as it keeps sending increasingly urgent messages to Seoul to bring such a summit about. Since a secret meeting between South Korean Labor Minister Yim Tae-hee and Kim Yang-gon, the director of the KWP’s United Front Department, in Singapore in October, “North Korea has kept asking us for a huge amount of economic aid in return for arranging a meeting” between President Lee Myung-bak and North Korean leader Kim Jong-il, a South Korean government source said. But the North seems to have no interest in giving in to South Korean demands to put denuclearization and the repatriation of prisoners of war and abduction victims on the summit agenda. “The North basically wants economic gain in return for letting us make political use of an inter-Korean summit for the upcoming local elections” on June 2, the source said. “It seems that the North still feels nostalgic for the Sunshine Policy,” which netted it huge benefits over the past decade.

In another secret meeting between South Korea’s Unification Ministry and the North Korean Workers’ Party’s United Front Department in November, the North again insisted on specifying humanitarian aid in an agreement to be signed at an inter-Korean summit. (Chosun Ilbo, “N. Korea Still Expects Payment for Summit,” February 26, 2010)

North Korea has raised the possibility of a further show of force in the East and Yellow seas by temporarily designating six regions along its maritime border with South Korea as “naval firing zones,” a government Web site said. North Korea has unilaterally notified the South it will conduct artillery fire drills in four areas in the Yellow Sea and two areas in the East Sea for three days from Saturday, Seoul’s National Oceanographic Research Institute said on its Web site. The designated regions are all in North Korea’s own territory, north of the Northern Limit Line. “North Korea has warned South Korean ships via the Navtex service to stay clear of the areas from 7 a.m. through 8 p.m. through Monday,” the oceanographic research institute said. (Yonhap, “N. Korea Again Designates ‘Naval Firing Zones’ along Sea Border,” February 19, 2010)

KCNA: “Piffles that ‘economic reward’ will be given to the DPRK if it dismantles its nuclear weapons are heard from countries around the Korean Peninsula these days.
Some of them have gone the lengths of talking nonsense that it is necessary to stop giving such rewards as providing foodstuff, fuel, loan, etc., if the DPRK persistently refuses to dismantle its nuclear weapons and they ‘will not use money for persuading it into returning to the six-party talks.’ In a word, their utterances mean giving sort of ‘economic reward’ to the DPRK in return for the dismantlement of its nukes. This is nothing but sophism that can be let loose only by the worst fools in the world who do not know how things are going there. The DPRK had access to the nuclear deterrent by spending a stupendous amount of money while tightening belt and weathering out all sorts of difficulties and ordeals. This was a measure for self-defense to cope with the U.S. nuclear threat. This is aimed neither to threaten others nor to get any ‘economic benefit’ or reward. Those who talked the above-said nonsense are sadly mistaken if they think the DPRK may do such a stupid thing as dismantling its nukes in anticipation of ‘economic reward’ from outsiders. …The DPRK’s dismantlement of its nuclear weapons can never happen even if the earth is broken to pieces unless the hostile policy towards the DPRK is rolled back and the nuclear threat to it removed. This is the consistent independent stand and principle of the DPRK. The hostile forces including the U.S. are now working hard to force the DPRK to disarm itself and pursuing extreme confrontation with it. They are under an increasing pressure from their own countries and other parts of the world to withdraw the nuclear weapons deployed by them there. Much upset by this development, the U.S. is becoming vociferous about the DPRK’s nuclear activity in a bid to use it as a pretext for steadily bolstering up its nuclear weapons. All facts go to prove that the master key to truly breaking the deadlock in the process to settle the nuclear issue on the peninsula lies in the U.S. drop of its hostile policy towards the DPRK. The DPRK’s nuclear deterrent for self-defense will remain as ever and grow more powerful to protect the sovereignty and dignity of the nation as long as the U.S. nuclear threat and hostile policy persist. Those who talk about ‘economic reward’ to the DPRK in return for the dismantlement of its nuclear weapons would be well advised to awake from their daydream. (KCNA, “KCNA Snubs Call For DPRK’s Dismantlement of Its Nukes,” February 19, 2010)

2/19/10

DoS spokesman Philip Crowley: “There are no plans right now for North Korean officials to come to the United States, nor for U.S. officials to meet with North Koreans.” Diplomatic sources here said that discussions are under way regarding Kim’s U.S. visit. “No decision, however, has been made yet on that,” a source said. Crowley dismissed the report that Kim’s delegation contacted U.S. officials in Beijing. “We did not have a meeting (with North Koreans) in China,” he said. (Hwang Doo-hyong, “U.S. Has No Immediate Plans for High-Level Contact with N. Korea: State Dept.,” Yonhap, February 20, 2010)

2/22/10

Wikileaks cable: Monday, 22 February 2010, 09:32 see 2/17/10

DoS Spokesman Philip J. Crowley: Ambassador Steve Bosworth and Sung Kim will depart Washington tomorrow for consultations with our partners in the Six-Party process. They will make stops in Beijing, Seoul, and Tokyo. I don’t have specific dates for their travel, where they will be at each stop. But as part of – and as part of our ongoing consultation, Secretary Clinton will host Korean Foreign Minister Yu Myung-
hwan here at the State Department on Friday. I’m sure we’ll have a press availability following that bilateral. … Q: Can I just ask briefly on Bosworth? … Any other planned – any other travel? I mean, that’s not all of the party – all of the partners are not there. CROWLEY: No, that’s -- Q: No Russia? CROWLEY: No Russia. Q: No North Korea? CROWLEY: No. … Q: Can I go back to North Korea?... Is there any possibility that Ambassador Bosworth and Sung Kim met with North Korean interlocutors in -- CROWLEY: No. Q: -- Beijing or other places? And -- CROWLEY: They will be going to Beijing. I do not expect them to go to Pyongyang. Q: And U.S. has been waiting for North Korea signal that they are going to come back to Six-Party Talks. Has there been any change on this position from North Korea? CROWLEY: Well, I think that’s one of the reasons we’re going to consult with our counterparts in Beijing, our counterparts in Korea and in Japan. In a couple of cases, there have been meetings recently with North Korean officials, and we’re going to be consulting to see where we think we stand in the process. Q: But there has been no decision made so far about resumption of Six-Party Talk or additional U.S.-North Korean -- CROWLEY: Again, we are looking for a signal from North Korea, and we’re still waiting for that signal. (DoS Daily Briefing, Assistant Secretary of State Philip J. Crowley, February 22, 2010)

South Africa notified the UN Security Council’s panel monitoring sanctions imposed on North that it recently seized a shipment of North Korean arms bound for Congo in violation of UN resolutions, diplomats said. One diplomat, speaking on condition of anonymity, said spare parts for tanks were seized last November. Another Western diplomat, who also asked not to be named, said the South Africans acted after being tipped off by a French shipping company that it was ferrying suspicious cargo to the Republic of Congo. An inspection by South African authorities determined the cargo contained spare parts for T-54 and T-55 tanks, the diplomat added. (AFP, “S. Africa Seized N. Korean Arms,” February 24, 2010) News reports say the letter details the shipment’s route, saying it was first loaded onto a ship in China and then transferred to a French-owned ship in Malaysia. At a regular FoMin briefing in Beijing, spokesman Qin Gang said China has noted the reports and is “looking into the issue.” (Stephanie Ho, “China Investigating Whether It Helped North Korea Violate U.N. Sanctions,” VOA News, February 25, 2010)

The United States has informally told Japan that it will retire its sea-based Tomahawk cruise missiles carrying nuclear warheads, in line with President Barack Obama’s policy to pursue a world free of nuclear weapons, Japanese government sources said. Washington said the move would not affect its “nuclear umbrella.” The retirement policy will likely be stipulated in the Nuclear Posture Review. The nuclear-tipped Tomahawk was loaded on nuclear-powered U.S. submarines that called in Japan during the Cold War era, but later removed for storage at bases on the U.S. mainland for possible deployment in the event of a contingency, according to U.S. nuclear experts. (Kyodo, “U.S. to Retire Nuclear Tomahawk Missiles,” Japan Told,” February 22, 2010)

Life expectancy in the North fell by 3.4 years to 69.3 since 1993, according to statistics released by the UN from a census conducted in 2008. The figures showed infant mortality rose from 14 per 1,000 live births in 1993 to 19, while the maternal mortality
rate grew from 54 to 77 deaths per 100,000 live births. The census, conducted with help from the United Nations Population Fund, found that North Korea's population had increased from 21.2 million to 24.05 million over the 15 year period between the two censuses, despite a famine in the mid- to late 1990s which is believed to have killed hundreds of thousands of people. (Al Jazeera, “North Korea Life Expectancy Falls, February 22, 2010)

China urged the United States and North Korea to step up efforts to restart stalled nuclear disarmament talks, as US and South Korean envoys to the six-party talks were due in Beijing this week for meetings with their Chinese counterparts. “We encourage multilateral and bilateral meetings and dialogue… on this issue, China adopts a supportive and positive attitude,” FoMin spokesman Qin Gang told reporters. Such contact between the United States and North Korea “will be conducive to the early resumption of the six-party talks and ensure the peace and stability of northeast Asia and the Korean peninsula,” he said. Qin said US special envoy Stephen Bosworth would hold talks with Chinese Vice FM Wu Dawei in Beijing tomorrow. South Korea’s chief negotiator Wi Sung-Lac was also expected in Beijing today and would hold talks with Wu. Meanwhile, a senior North Korean Communist Party official, Kim Yong-Il, held talks today with his Chinese counterpart Wang Jiarui and met President Hu Jintao, China Central Television reported. Yonhap said the North Korean official was likely to deliver a letter from leader Kim Jong-Il to Hu. (AFP, “China Encourages U.S., North Korea to Meet,” February 23, 2010)

South Koreans’ perception of North Korea has worsened to a level not seen since before Seoul adopted a more open-arms policy toward Pyongyang in the late 1990s, according to a survey of 1,000 South Korean adults by the Korea Institute of National Unification conducted last November. The survey showed that 56.4 percent have a negative perception about North Korea. Only 31.1 percent had such a view on North Korea in 2005, the last time the survey was taken. “The results reflect [South Koreans’ disinchantment about] the series of North Korean provocations, including the second nuclear test [in 2009], and the deteriorating inter-Korean relations,” said Choi Jin-wook, head of the Center for South-North Korean Cooperation Studies under the institute. Nearly 70 percent said they feel threatened by North Korea’s nuclear weapons, and nine out of 10 said they were pessimistic that the North would abandon its nuclear arms.

Nearly 90 percent of the surveyed said they would like to see a summit take place.

“Many South Koreans feel the North is responsible for strained inter-Korean relations,” Choi said. “But they would like to see the government pursue dialogue rather than put pressure on North Korea.” (Yoo Jee-ho, “South Korean View of North Takes Nosedive,” JoongAng Ilbo, February 23, 2010)

Speaking in Beijing, the U.S. Special Representative for North Korea, Stephen Bosworth, said his talks with Chinese counterpart Wu Dawei had addressed how to “try to regain momentum and get back to the negotiating table.” Bosworth is visiting China and then South Korea and Japan as North Korea’s neighbors seek to restart stalled negotiations aimed at ending the isolated country’s nuclear weapons program. “I think everybody shares the view that it is important to get back to the negotiating table as
soon as possible,” he told reporters at a short news briefing, but added it would be premature to disclose how negotiations could be boosted. (Chris Buckley, “U.S. Envoy Says Seeking Fresh Momentum on North Korea,” Reuters, February 24, 2010)

Pyongyang’s recent change in attitude on the six-party talks and economic reforms followed an unexpectedly harsh reaction from China over North Korea’s nuclear test in May last year, diplomatic sources said. The Communist Party of China (CPC) told North Korea to reform and open up its economy, end its hereditary succession of political power and abandon its nuclear development programs, according to party sources. Before the test, Pyongyang sent Chang Sung Taek, a National Defense Commission member and Kim Jong Il’s younger brother-in-law, to China in early May to explain that North Korea had nominated Kim’s third son, Jong Un, as his successor, according to North Korean sources. After the test, Chang visited China again in late May. Only Wang Jiarui, director of the International Department of the CPC Central Committee, met Chang. Wang conveyed China’s three requests to North Korea. According to diplomatic sources in Beijing, China suspended its dispatches of high-ranking government officials and delegations to North Korea. Beijing also sent home some of the North Korean researchers and staff members at Chinese companies and universities. China underscored its disapproval of North Korea’s nuclear test in the Huaxia Shibao (Global Times), a newspaper affiliated with the People’s Daily, the organ of the CPC Central Committee. One headline in the newspaper read, “Don’t play with fire anymore.” A North Korean source in Beijing said, “We had never seen such a strong reaction from China.” North Korea on June 10 sent Jong Un to China, accompanied by a military delegation led by Chang. “With Jong Un’s visit to China, Pyongyang apparently wanted Beijing, which is against the hereditary succession, to recognize him as the successor. Pyongyang also sought China’s understanding on the nuclear experiment,” a CPC source said. After the visit, exchanges of senior officials between the two countries resumed. Dai Bingguo, China’s state councilor who oversees foreign policy, visited North Korea on September 16, immediately after China abruptly closed a pipeline that supplies crude oil to North Korea. [??] The pipeline, which runs from Dandong, Liaoning province, supplies more than 90 percent of North Korea’s crude oil demand. “The move was designed to ensure the success of Dai’s visit by severing (North Korea’s) lifeline and exerting pressure,” a source close to the CPC said. Dai’s mission was to keep North Korea from abandoning the six-party talks on North Korea’s nuclear program, which were last held in December 2008. In a meeting with Dai, Kim Jong Il said: “North Korea wants to solve (the denuclearization issue) through bilateral and multilateral dialogue.” In October, Premier Wen Jiabao traveled to Pyongyang after careful preparations. Still, Kim only indicated that the United States should improve its relations with North Korea before Pyongyang returns to the six-party talks. Wen promised food aid worth $21 million (1.92 billion yen) but withheld plans for projects totaling billions of dollars, such as railways, factories and housing development, in North Korea. Chinese officials expect Kim will declare his intention to return to the six-party framework when he visits China in the near future. “If we leave things as they are, the six-party framework could collapse,” a source close to the Chinese government said. “We cannot let Kim visit China empty-handed.” North Korea, meanwhile, has eased up on its refusal to reform and open its economy. In December, Kim inspected Rason city in northeastern North Korea, a special economic zone, and
instructed officials to expand trade with other countries. On January 20, Kim announced the establishment of a national development bank to invite foreign companies to set up plants in North Korea. (Minemura Kenji, “N. Korea Squirms after China Raps Test,” Asahi Shimbun, February 24, 2010) [CCP party school making believe China made things happen, strains credulity by ignoring Clinton visit, currency, lack of 6PT]

North Korea will likely continue to stay away from six-nation talks on ending its nuclear weapons programs for some time, Seoul’s chief nuclear negotiator said, noting there still is a wide gap between the communist North and other nations on conditions for the resumption of negotiations. “What everyone is trying to do now is to find ways to resume the six-party talks, so I believe it is important for the countries to work together to make sure their efforts will lead to a positive outcome,” Wi Sung-lac told reporters shortly after a meeting with U.S. special representative for North Korea policy Stephen Bosworth. The South Korean official said the continued stalemate is mainly due to North Korea’s continued demands for the removal of U.N. sanctions and start of negotiations for a peace treaty, both of which have been rejected by Seoul. “What I heard (about North Korea’s demands) in Beijing was almost the same as what I heard before leaving Seoul,” Wi told reporters. “We could not see any significant changes (to North Korea’s demands),” an official said earlier regarding the outcome of Wi’s meeting with China’s special envoy for Korean affairs. (Byun Duk-kun, “Resumption of N. Korean Talks Unlikely in Near Future: Nuclear Envoys,” February 25, 2010)

The Ministry of Unification has revised its policy to take a tougher stance on North Korea’s nuclear program, a ministry official said. The decision was made at a meeting of the Committee on the Development of Inter-Korean Relations, and is South Korea’s first policy change since President Lee Myung-bak took office two years ago. “Since the Lee administration was inaugurated in early 2008, many things such as the suspension of inter-Korean talks and North Korea’s second nuclear test have taken place,” UnifMin Hyun In-taek said before the meeting. “So, we reached the conclusion that we cannot carry out the existing North Korea policy anymore.” The original plan was scheduled to stay intact until 2012. The ministry plans to submit the revision to a Cabinet meeting and the National Assembly. (Kim Sue-young, “N.K. Denuclearization Top Priority of Revision,” Korea Times, February 25, 2010)

KPA General Staff spokesman: “Currently, a touch-and-go dangerous situation, in which a war may break out any moment, is being created on the Korean peninsula due to brigandish US imperialists and South Korean puppet warmongers’ reckless war maneuver. Ignoring our repeated warnings, the enemies finally announced that they would stage the Key Resolve and Foal Eagle joint military exercises, which are northward aggression war exercises, from 8 March. Massive forces of some 18,000-strong forces, including over 10,000 troops of the US aggression forces forcibly occupying South Korea, and state-of-the-art arms and equipment are to be intensively committed to the joint military exercises. [Also,] army corps-level, fleet command-level, and flying corps-level units of the South Korean puppets and even civilian forces are to be mobilized. The enemies describe [the joint military exercises] as annual exercises and defense, but [the exercises] are pilot operations and nuclear war
exercises aimed at a surprise, preemptive attack on our Republic to all intents and purposes. It is by no means coincidental that South Korean puppet warmongers, who colluded with the US imperialists, have been frantically staging training under all kinds of pretexts, including mid-winter tactical training, and large-scale joint ground training, from the beginning of the year, while recklessly saying that they will launch a preemptive attack by picking on our self-defensive nuclear deterrent. This by itself revealed that the US imperialists and South Korean puppet warmongers are the ones who are war fanatics trying to bring in dark clouds of a nuclear war to our sacred land, while only pursuing aggravation of tension and confrontation. We will not just keep looking at today’s grave situation created by the provokers. Each heart of our military and people, who hold a deep grudge that has built up for more than half a century due to the aggressors, is strongly seething with soaring hatred and rage against the enemies that are igniting fire to a fuse of war, while giving off the smell of gunpowder, on this land today. If the US imperialists and South Korean puppet warmongers carry out the aggressive joint military exercises despite our repeated warnings, we will respond to them with our powerful military counteraction, and if necessary, we will mercilessly beat to a muddy place the stronghold of aggression by mobilizing all the offensive and defensive means, including nuclear deterrent. (DPRK Radio, “KPA General Staff Spokesman’s Press Statement on ROK-US Joint Exercises,” February 25, 2010)

2/26/10 Bosworth: Q: Are you willing to have direct bilateral talks with the DPRK once more if she [North Korea] promises to come back to the Six-Party Talks? BOSWORTH: Well, that depends on the nature of what happens afterwards. We have said that we are not philosophically opposed to further bilateral contacts with the DPRK, but only within the framework of the Six-Party Talks, and we must be confident that it will in fact lead to a prompt resumption of the Six-Party Process. But I am not going to speculate today as to when or whether we would entertain that. That is a subject that we are, we will be discussing with our partners. Q: You said that there are many items from the 2005 Joint Statement that you want to pursue. Does that include beginning talks on a peace treaty, and does that mean to offer North Korea that it could, such discussions could take place as soon as the Six-Party Talks resume? BOSWORTH: Well, what we have said is that obviously all parties are committed to working on the topics that are set forth in the Joint Statement, and first and foremost among those, of course, is denuclearization. But we also recognize that it will be important to begin discussions on questions regarding the peace treaty, establishment of diplomatic relations, and the issues of economic and energy assistance to North Korea. And, we are prepared to do that in the normal course of events once we have come back in the Six-Party Process, and once we have begun to make some significant progress once again on denuclearization. Q: Did you see, did you find a kind of positive side from the DPRK with regard to rejoining the Six-Party Talks after [inaudible] recent visit to the DPRK? BOSWORTH: Well, we did not have direct contacts with the DPRK in, from Beijing. Q: But did it go through China? BOSWORTH: I think China has been working hard to, as the Chair of the Six-Party Process, to bring about an early resumption of the Six-Party Talks, and obviously as we all know they have had a number of contacts with the DPRK. But I am not going to try to speculate or comment on the results of those contacts, only to say that we remain of
Two shipping containers loaded at a Chinese port and bound on a ship for the Congo Republic carrying what the manifest called “bulldozers” were found to be transporting North Korean parts for T-54 and T-55 tanks and other military equipment in violation of international sanctions, diplomats at the United Nations said. South Africa, which made the discovery in November, presented a rough summary of the episode in a two-page letter sent this week to the special Security Council committee focused on sanctions against North Korea. The two containers containing parts for T-54 and T-55 tanks, shipped by a North Korean company, were loaded in Dalian onto a container ship operated by a French company and sent to Malaysia, where they were transferred, according to diplomats, who read details from the confidential report. The ship stopped to refuel in Durban on its way to the Congo Republic, but it was initially turned away. After it left Durban, however, South African officials ordered it back to port, where they found the military equipment hidden behind stacks of rice, the report said. They could not confirm the value of the shipment, but estimated it at $770,000. The two containers are now in a secure storage area in Durban port, the report said, while an inquiry continues. Investigators have been contacting every country involved in the shipping route or transport and asking them to explain what occurred. (Neil MacFarquhar, “North Korean Military Parts Were Intercepted, U.N. Says,” New York Times, February 25, 2010)
crewmen and search lights." The shipment was estimated to be worth R6 million (approximately $770,000) \(^4\). (C) South Africa reported that the draft bill of lading identified the containers as "SPARE PARTS OF BULLDOZER," and further identified port of loading as Dalian, China, and the point of discharge as Pointe Noire (Republic of Congo). The items were apparently discharged loaded onto the ‘Westerhever’ prior to its departure on November 16 from Port Klang, Malaysia. The bill of lading identified the shipping company and consignee to be North Korean firms. South Africa further reported that the ‘Westerhever’ was chartered by a subsidiary of the French firm CMA CGM. (NOTE: A vessel belonging to CMA CGM, the third-largest container shipping firm in the world, was also linked to a sanctions violation reported to the Committee in 2009. END NOTE). Although the vessel’s flag state was not identified in South Africa’s report, open-source information suggests that the ‘Westerhever’ was registered in Liberia. …”

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KCNA: “A relevant institution of the DPRK recently detained four south Koreans who illegally entered it. They are now under investigation by the institution.” (KCNA, “S. Korean Trespassers Detained,” February 26, 2010) KCNA did not reveal identities of the detained South Koreans or the circumstances surrounding their entry. The South Korean government is currently unable to verify the ‘detention’ aspect of the statement. A Cheon Wa Dae official said, “If the North Korean report is accurate, it is presumed that the South Koreans crossed into North Korea from the shared Chinese border.” The same official said, “We are currently looking into the situation from different angles through intelligence organizations, including the possibility that they are tourists, missionaries to North Korea or activists connected with North Korean defectors, but there has not yet been any confirmation of the truth of the reports or the identity of the detainees.” UnifMin spokesman Chun Hae-sung said, “It has been confirmed that the 1,054 South Korean citizens currently staying in Pyongyang, Mt. Kumgang, Kaesong and other regions are not in any danger.” (Hankyore, “Four S. Koreans Detained in N. Korea,” February 27, 2010)

DoS Background Briefing: “: Can we go back to North Korea? The encouragement and the signs – was there something new out of Beijing, was there some information that came through that makes them thing things are moving faster than they were? A: One of the issues that came up in the bilateral with South Korea was the current state of the Korean economy. The reforms that North Korea have put in place have been a disaster, so North Korea is likely to require international assistance and this can create an opportunity. So, we think that the circumstances are pointing towards a North Korean decision to return to the Six-Party Process but, just to be clear, while the conditions appear to be moving in the right direction, they have not said ‘Yes’ yet. And the other part of that is that it’s not just a ‘Yes.’ If and when they do come back to the Six-Party Process they have to show a commitment to actually affirmatively take the steps that are outlined in the previous agreements that they have approved, or they’ve committed to, at least on paper.”

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“We believe North Korea will come back to the six-party talks sooner or later, possibly in March or April, although we cannot predict the exact timing,” a South Korean official visiting Washington said. “Our judgment is based on circumstantial evidence
surrounding recent contacts between North Korea and China.” The official made the remarks one day after FM Yu Myung-hwan met with Secretary of State Hillary Clinton. “China’s position is that North Koreans need measures for face-saving,” the South Korean official said. “What South Korea and the U.S. fear is that North Korea will employ a strategy of buying time by circumventing the six-party format and focusing on bilateral meetings with the aim of being recognized as a nuclear weapons state eventually.” Speaking to South Korean correspondents here over a luncheon meeting, Yu said, “We’ve agreed that we will continue the two-track approach of dialogue and sanctions so North Korea can come back to the six-party talks as soon as possible for a resumption of steps toward its nuclear dismantlement.” He added that he and Clinton also discussed the importance of ratifying the pending Korea-U.S. Free Trade Agreement signed in 2007. “We’ve reconfirmed the resolution of the two governments to make efforts for progress on the FTA issue.” The Obama administration has said it wants to address the imbalance in auto trade and restricted shipments of beef before presenting the free trade deal to Congress for approval, while South Korea has pressed for the deal’s ratification by this summer ahead of the November mid-term elections. “I don’t think the U.S. government has a consensus on the timeline of the Korea FTA’s ratification in consideration of the November elections,” another South Korean official said. “However, it seems the Obama administration has a more favorable opinion on the issue than that of the campaign period in 2008, as it has linked the trade pact to job creation.” (Hwang Doo-hyong, “N. Korea Likely to Soon Return to 6-Way Talks: S. Korean Official,” Yonhap, February 28, 2010)

North Korea provided about 45 tons of “yellowcake” uranium to Syria in September 2007 for production of fuel for an undeclared nuclear reactor, diplomatic and military sources knowledgeable on North Korean issues said. But the shipment was followed shortly by an Israeli air strike targeting the reactor and the uranium involved is believed to have been transferred to Iran around last summer, according to a Western diplomatic source. But a Middle East military source has said that Syria may have returned the yellowcake to North Korea in the wake of the air strike. David Albright, president of the U.S.-based Institute for Science and International Security, said 89 to 130 kilograms of weapons-grade uranium could be produced if 45 tons of yellowcake is further processed into uranium hexafluoride and is enriched. “In any case, 45 tons of yellowcake is enough for several nuclear bombs,” Albright said in a written response to Kyodo News. Such an amount of yellowcake is equivalent to making 5,500 nuclear fuel rods for the type of 5,000-kilowatt graphite-moderated experimental reactor in North Korea’s Yongbyon nuclear complex, on which Syria is believed to be modeling its own reactor. Plutonium, another material used for nuclear weapons, can be extracted from spent fuel rods. The diplomatic source said the cargo of yellowcake left Nampo and passed though Dalian and Shanghai before it reached the port of Tartus in Syria on September 2, 2007. Israel noticed the move – a factor that led the country to launch its air strike on Syria on September 6. (Kyodo, “N. Korea Provided Raw Uranium to Syria in 2007: Sources,” Mainichi, February 28, 2010)
the stalled negotiations, sources close to the process said. The formula would be spearheaded by a resumption of U.S.-North Korean talks on bilateral issues to be followed by a preparatory meeting of the countries involved in the six-nation talks that would lead up to a formal resumption of six-nation talks issues. The sources said China outlined its proposal when Wu Dawei, China’s special representative for Korean Peninsula affairs, met with U.S. and South Korean envoys in Beijing last month. (Kyodo, “China Makes 3-Step Proposal on Resumption of Nuke Talks,” March 1, 2010)

Rodong Sinmun signed commentary: “Key Resolve and Foal Eagle joint military exercises to be staged by the U.S. imperialists and the south Korean puppet army from March 8 to 18 are a dangerous large-scale test war from A to Z as they are aimed to provoke an all-out nuclear war and bring down the DPRK by force of arms. The warmongers are talking about ‘annual exercises’ and ‘improvement of defense capability’ when referring to the joint maneuvers, but they are nothing but hypocrisy to mislead the public opinion at home and abroad. Key Resolve is aimed to ensure the rapid introduction and deployment of the U.S. reinforcements on the Korean front in ‘emergency’ and to perfect the procedures for coordinated operations with the puppet army. Foal Eagle is typical offensive exercises to launch an all-out war against the DPRK through large-scale ‘preemptive nuclear attacks.’ The joint war exercises are so aggressive and provocative that with no rhetoric can the United States and warmongers of the south Korean military justify them no matter how desperately they may let loose a spate of such rubbish as ‘annual exercises’ and ‘defense.’ We can never remain a passive onlooker to this grave situation created on the Korean Peninsula by the aggression forces against the DPRK. Our answer to the exercises is merciless and annihilating retaliation. If the United States and south Korean puppets launch the joint military exercises, ignoring our warnings, we will react to them with our powerful military counteraction to clearly show the aggressors how merciless and decisive our sacred retaliation war for justice is, the commentary concludes. (KCNA, “Projected DPRK-Targeted Joint Military Exercises Blasted,” March 1, 2010)

North Korea appears to have stopped state-sponsored drug trafficking, but still continues to counterfeit brand cigarettes and remains a large source of phony U.S. currency, the U.S. State Department said on March 1. “There is insufficient evidence to say with certainty that state-sponsored trafficking by the Democratic People’s Republic of Korea (North Korea) has stopped entirely in 2009,” the 2010 International Narcotics Control Strategy Report released by the department said. “Nonetheless, the paucity of public reports of drug trafficking with a direct DPRK connection suggest strongly that such high-profile drug trafficking has either ceased, or has been reduced very sharply.” The annual report said, “No confirmed instances of large-scale drug trafficking involving the DPRK state or its nationals were reported in 2009,” noting, “This is the seventh consecutive year that there were no known instances of large-scale methamphetamine or heroin trafficking to either Japan or Taiwan with direct DPRK state institution involvement.” Numerous instances of narcotics trafficking involving North Koreans, North Korean vessels and military patrol boats have been recorded in Taiwan and Japan over the past decades until 2003, according to the report. The report noted that trafficking of methamphetamine along the North Korea-China border continues. “There are indications that international drug traffickers can purchase
methamphetamine in kilogram quantities in some of the major towns on the Chinese side of the DPRK-China border," it said. North Korea, meanwhile, continues counterfeit cigarette and U.S. bills called supernotes, the report said. “Press, industry and law enforcement reports of DPRK links to large-scale counterfeit cigarette trafficking in the North Korean Export Processing Zone at Rajin continue,” it said. “It is unclear the extent to which DPRK authorities are complicit in this illegal activity, although it is likely that they are aware of it, given the relatively high-profile media reports.”

The report cites examples of supernotes caught across the world in the previous years. “Counterfeit $100 U.S. notes called supernotes continue to turn up in various countries, including in the United States,” it said. “There are reports, for example, of supernote seizures in San Francisco and a very large supernote seizure in Busan, South Korea, during 2008 and 2009.” Supernotes are uniquely associated with North Korea, the report said. “But it is not clear if recent seizures are notes which have been circulating for some time, or they are recently-counterfeited new notes.” (Yonhap, “N. Korea Seems to Have Ceased State-Sponsored Drug Trafficking,” North Korea Newsletter, No. 96 (March 4, 2010)

Officials from South and North Korea met in the town of Kaesong for discussions on issues related to the passage of people and goods to their joint industrial complex in the North, Seoul’s Defense Ministry said on February 28. The two Koreas had sought to hold military-level talks on issues of border transit, customs and communication to the Kaesong industrial complex. But the talks will be led by non-military officials. “As the talks will be led by an official from the Unification Ministry, it will be a meeting of working-level officials, not a military-level meeting,” the defense ministry said in a statement. It did not say why the two Koreas changed the parameter of the talks.

(Yonhap, “Koreas to Hold Talks on Joint Industrial Park Tuesday,” February 28, 2010)

The talks took place in a “concrete and practical atmosphere” in the morning, South Korean Unification Ministry spokesperson Chun Hae-sung said. But he declined to say whether the North accepted Seoul’s request to identify the four South Koreans that the communist state said last week that it detained for illegal entry. The sides agreed to separate their discussions in the afternoon into three subcommittees dealing with each of North Korea’s restrictions, Chun told reporters. He did not elaborate. The restrictions include a ban on the use of mobile phones and Internet communications by South Korean workers; the introduction of electronic tags on goods moving in and out of the complex; and the around-the-clock access into Kaesong by South Korean personnel. South Korea says the restrictions must be lifted or at least eased to improve the competitiveness of the industrial park that has merged South Korean capital with North Korean labor since 2004. But the North -- under U.N. sanctions that toughened after it conducted its second nuclear test in May last year -- vowed earlier Tuesday it would bolster its nuclear arsenal if South Korea and the U.S. conduct their joint annual military drill planned next week. The impoverished North says wage hikes for its workers are the most important agenda item, while the South says the profitability of the park should be enhanced before the issue can be negotiated. But the North vowed earlier in the day it would bolster its nuclear arsenal if South Korea and the U.S. conduct their joint annual military drill planned next week.

The Key Resolve and Foal Eagle exercise from March 8-18, along with U.S. reluctance to immediately forge a peace treaty to formally end the 1950-53 Korean War, “will only
compel (the North) to boost its nuclear deterrent and its delivery means,” KCNA said. (Yonhap, “Two Koreas Hold Talks on Improving Joint Industrial Park,” March 2, 2010)

KCNA: “The north-south military working-level talks took place in Kaesong. At the talks Colonel of the Korean People’s Army Ri Son Gwon, head of the delegation of the north side, stated as follows over the fact that the south side has recently driven inter-Korean relations to a catastrophic phase and obstructed military guarantee for passage, communications and customs clearance for revitalizing the Kaesong Industrial Zone while getting hell-bent on the unpardonable escalated confrontation with the DPRK:

Firstly, the situation in waters of the West Sea of Korea is reaching the brink of explosion due to the recent grave military provocations of the south side’s military authorities in the waters. The military authorities of the south side, who intentionally and directly organized the premeditated armed conflict in the said waters in November last year, staged a ‘citation ceremony’ for those involved in it, inciting an atmosphere of confrontation. Then, they are gradually escalating the military tension in the controversial waters. The south side authorities’ foolish attempt to preserve the illegal ‘northern limit line’ and make the existence of the ‘territorial waters’ of the south side along it an established fact can never be overlooked. Secondly, the psychological warfare designed to do harm to the dignified system of the DPRK and its security is going to extremes. The campaign for scattering leaflets slandering the ideology and system in the DPRK has escalated into the depth of the north side, going beyond the areas along the Military Demarcation Line. And anti-DPRK psychological broadcasting is getting more vicious in its content and form than ever before. And it is long since the moves for bringing down the system of the DPRK by spying on what is going on inside it and destabilizing it via the northern border areas have gone beyond the danger line. The authorities of the south side should stop at once such a ridiculous and foolish act.

Thirdly, if the authorities of the south side finally stage Key Resolve and Foal Eagle joint military exercises in collusion with outside forces, the situation on the Korean Peninsula will be ‘uncontrollable.’ The joint military exercises to be kicked off on March 8 are adventurous offensive operational exercises involving massive arms buildup, infiltration into rear areas, ground attack, coast landing and assault operation and nuclear war maneuvers for an actual war for the purpose of mounting a surprise preemptive attack on the DPRK on the ground, in the sea and sky in ‘contingency’ on the peninsula. Now the south Korean authorities are getting hell-bent on the moves to do harm to the DPRK by intentionally escalating the military tensions for the purpose of inventing any pretext for conflict in the waters of the West Sea of Korea and, at the same time, tying to stage the large-scale DPRK-targeted war maneuvers in collusion with foreign forces while resorting to the unheard-of anti-DPRK psychological warfare. But this is a foolish act just as banging their heads on a rock and will negatively affect the development of inter-Korean relations and the revitalization of the Kaesong Industrial Zone. The head of the north side delegation charged that the ill-boding hostile moves of the south side are being pushed forward according to the carefully worked out scenario. He solemnly clarified the resolute will and fixed stand of the army and people of the DPRK to mercilessly wipe out all hostile forces including anti-DPRK confrontation maniacs and traitors keen to stifle the DPRK politically and by force of arms. Discussed at the talks were issues related to the implementation of ‘the agreement on military guarantee for passage, communications and customs clearance in the areas under the north-south control in the east and west sea regions’ which was
adopted according to the historic October 4 declaration.” (KCNA, “Inter-Korean Military Working-Level Talks Held,” March 3, 2010) On March 5 South Korea insisted on firm safety guarantees from North Korea before it resumes cross-border tourist programs, despite the North’s threat to shut down the business permanently. “There is no change in the government’s stance that firm measures must be taken first to ensure the safety of tourists,” South Korean unification ministry spokeswoman Lee Jong-Joo told AFP. Yesterday the North threatened to tear up all tourism agreements and contracts with the South unless it agrees quickly to restart them. The North also said it would open the border to South Korean visitors starting this month while “guaranteeing their safety completely.” (AFP, “South Korea Demands North Guarantee Tourists’ Safety,” March 5, 2010) The North’s official Korean Central News Agency carried a statement by the Asia Pacific Peace Committee on March 4 which claimed that the Seoul government was blocking South Koreans from visiting its tourist attractions. “We have repeatedly explained in detail about the unfortunate incident caused by the South Korean tourist’s illegal entry into a restricted area, and have conducted a joint on-the-spot inspection with South Korean officials (of Hyundai Asan Corp.) immediately after the incident,” the North said in the statement. “We have also given our highest word on the safety of tourists and preventing recurrence (of such incidents) during the Hyundai Group chairwoman’s visit to Pyongyang last year, and repeatedly confirmed our position in the recent talks.” North Korean leader Kim Jong-il gave his word to Hyundai chairwoman Hyun Jeong-eun during her visit last August. North Korea’s warning appears to signal a shift from dialogue to political offensive against the Lee Myung-bak administration ahead of the local elections in June, according to Yang Moo-jin, professor at the University of North Korean Studies. “The North believes that Seoul has no will to resume tours or other inter-Korean cooperation projects whatsoever and that even if it agrees to revise rules on safety, Seoul would bring up the issue of replacing cash payments for the tours with something else,” Yang said. "In this respect, the North is likely to use the four South Koreans it detained as a bargaining tool to pressure the South." The North has refused to identify the four South Koreans it claimed a week ago to have detained for illegal entry. The leader of a Seoul-based aid group who recently visited Pyongyang suggested that the North seemed to be taking the illegal-entry case in a broader context of threats against the North Korean regime. Lee Il-ha, chief of Good Neighbors International, said a high-ranking North Korean official told him that the four detainees are “just one of the various cases (the North) could not publicly speak about.” Lee quoted the North Korean official as saying, “There have been black rats and white rats, but now we have found all the rat holes.” By black rats, he may have meant anti-North South Koreans entering the country illegally. “(The detention) is a result of the South Korean administration (turning) a blind eye to those seeking to overthrow the North. We will see how Seoul reacts from now on.” (Kim So-hyun, “Seoul Uneasy with N.K. Threat,” Korea Herald, March 5, 2010)
DPRK is a scenario for a nuclear war based on the provision of ‘extended deterrent.’ All their military exercises are pursuant to the above-said war doctrine and scenario. As a matter of fact, the Key Resolve and Foal Eagle have so far been staged according to the OPLAN 5027, a scenario for an all-out war to occupy the DPRK by a preemptive attack. Last year the U.S. and the south Korean authorities worked out even a document on the provision of the ‘extended deterrent’ presupposing the use of nukes against the DPRK in contingency. They do not conceal the fact that ‘equipment, capability and manpower’ will be mobilized in the said joint military exercises to the fullest extent. This, needless to say, means the involvement of even the nuclear war forces in the war maneuvers. What merits a more serious attention is that the U.S. is set to stage such nuclear war exercises at a time when the international community is growing more vocal than ever before calling for a settlement of the nuclear issue of the Korean Peninsula. Obviously this is a deliberate attempt to disturb peace on the peninsula and torpedo the process for its denuclearization. The U.S. has always stood in the way of denuclearizing the Korean Peninsula, pursuing only a war to stifle the DPRK, not seeking a solution to the issue on the basis of respect for sovereignty in relations with the latter. It is open secret that the U.S. administration ruled by the Democratic Party attempted to provoke a war against the DPRK behind the curtain of denuclearization in the 1990s. The U.S. is still increasing the nuclear threat through such nuclear war exercises as Key Resolve and Foal Eagle, driving the process for the denuclearization of the peninsula to a collapse. The reality goes to prove that how urgent and crucial the conclusion of a peace treaty and the termination of the hostile relations are for finding a solution to the nuclear issue on the peninsula and how just the DPRK was when it took measures to have access to nuclear deterrent to cope with U.S. constant military threat. The process for the denuclearization of the peninsula can never take even a step forward as long as the DPRK and the U.S. remain technically at a war and the latter’s threat of a nuclear war against the DPRK remains. Should the U.S. persist in its unrealistic moves to stifle the DPRK in disregard of its realistic proposal, this will only compel it to boost its nuclear deterrent and its delivery means. (KCNA, “KCNA Denounces U.S.-S. Korea Military Exercises,” March 2, 2010)

North Korea has acknowledged the failure of the currency reform it conducted last November in a note sent to its diplomatic missions abroad in mid-February, saying it caused confusion in the supply of money and the distribution of goods, sources familiar with China-North Korea relations said. The note urged North Koreans to “get united and overcome the difficulty,” they said. It is rare for North Korea to acknowledge a failure of economic policy. North Korean officials “do not need to deny” the confusion sparked by the redenomination of the currency when explaining it externally, the notification said, according to the sources. By acknowledging the problem, Pyongyang is believed to have attempted to ease a sense of alarm among foreign companies about trading with and investing in North Korea. (Kyodo, “N. Korea Acknowledges Failure of Currency Reform,” March 2, 2010)

FM Yu Myung-hwan indicated that bilateral talks between North Korea and the United States may soon occur, but within the framework of the multilateral dialogue devised to terminate the North’s nuclear weapons programs. “North Korea seems to be making plans to visit the United
States later this month for bilateral talks, so that may be an opportunity for the two sides to sit down,” Yu said in a monthly press briefing. He added, however, that Washington appears to be skittish about holding exclusive talks, as the members of the six-nation talks have agreed that the North should communicate only via the official denuclearization dialogue. (Kim Ji-hyun, “N. Korea, U.S. May Soon Hold Talks: Yu,” Korea Herald, March 4, 2010)

Kim Yong-il, the chief of the KWP’s International Department, has been touring cities in northeastern China cities since late February. The unusually long tour gives rise to a speculation that he may be preparing for a China visit by North Korean leader Kim Jong-il. “Given that summits between North Korea and China have to be arranged, Kim Yong-il may be there to discuss Kim Jong-il’s China visit,” a diplomatic source in Beijing speculated. “Some of the cities Kim Yong-il has visited may be included in the itinerary of the North Korean leader.” On February 23, the first day of his visit, Kim Yong-il paid a courtesy call on President Hu Jintao and met Wang Jiarui, his Chinese counterpart. Wang had been the North early in February and delivered a letter from Hu to Kim Jong-il to invite him to China. Concluding meetings with Chinese leaders on the first day of his tour, Kim started visiting major cities in north and northeastern China the following day. He visited the Binhai economic zone in Tianjin on February 24. The next day he toured Dalian in Liaoning Province’s coastal economic belt and Shenyang. On February 28, he visited Changchun, Jilin Province. The regional development belt of Changchun, Jilin and Tumen is linked to the Rajin-Sonbong area in North Hamgyong Province, which the North turned into a special economic zone in January. “If the North Korean leader visits China, economic cooperation issue will be the main agenda along with the six-party talks,” a Chinese expert on North Korea said. But some sources say Kim Yong-il’s trip has nothing to do with preparations for a visit from his leader since his entourage consists mainly of International Department officials. (Chosun Ilbo, “Speculation Rife as Top N. Korean Official Tours China,” March 3, 2010)

North Korea has designated allocated priority industries for cultivation in the eight cities: Pyongyang (high-tech industry); Nampo (medical supplies and cooking oil); Shinuiju (light industry and textiles); Wonsan (shipbuilding); Hamhung (coal and chemicals); Kimchaek (metallurgy); Nason (petrochemicals); and Chongjin (heavy industry), Nihon Keizai Shimbun reported. Additionally, the communist country will expand investment in infrastructure, including massive construction of roads and railroads linking the eight cities. Pyongyang will induce foreign capital through tax incentives to finance its projects to foster the economic zones and expand and upgrade infrastructure. Quoting an official of North Korea’s Trade Ministry, the Japanese daily said, “Egypt, France and Vietnam have expressed a strong intent to invest in North Korea.” A source from the Taepung International Investment Group, which is reportedly effectively leading North Korea’s new economic policy, was also quoted as saying, “We’re considering leasing farmland in turn for cutting-edge agricultural technologies.” The company is headed by Kim Yang Gon, confidant of North Korean leader Kim Jong II and director of the Unification Front Department of the ruling Workers’ Party. Taepung has 25 subsidiaries including those dealing in finance, investment, credit and insurance and corporations in railroads, roads and farming. Critics say, however, that the economic zones and the plan to attract foreign
capital were measures Pyongyang announced when it designated the Rajin-Sonbong region as a special economic district in 1991. Hence, they add, the latest measure does not indicate a change in policy. (Dong-A Ilbo, “N.K. Names 8 Cities ‘Special Economic Zones,’” March 3, 2010)

The World Food Program will have to stop delivering aid to starving North Koreans by July if it does not receive more donations immediately. Although a senior UN official said the Pyongyang office risked closure, Torben Due, the program’s North Korea representative, said he remained optimistic despite growing donor fatigue. “The WFP can continue to support around 1.4m children and pregnant women with fortified foods until the end of June. However, new contributions are required now or the operation will come to a standstill in July. We are hopeful that donors will come forward with contributions, given the situation,” he told the Financial Times. In 2008 the WFP hoped 6.2m people would receive such aid but found it increasingly hard to get donations. Annual aid to North Korea is equivalent to $4.50 per person across the population. The average across other low-income countries is $37 per person. The US, once the leading food donor, has said it will not supply cereals until North Korea resumes proper monitoring, allowing aid agencies to track the final recipients. (Christian Oliver, “N. Korea Food Aid under Threat,” Financial Times, March 4, 2010, p. 4)

The Obama administration is concerned that Burma is expanding its military relationship with North Korea and has launched an aggressive campaign to convince Burma’s junta to stop buying North Korean military technology, U.S. officials said. Concerns about the relationship -- which encompass the sale of small arms, missile components and, most worryingly, possible nuclear-weapons-related technology -- helped prompt the Obama administration last October to end the Bush-era policy of isolating the military junta, said a senior State Department official, speaking on the condition of anonymity because of the sensitivity of the subject. So far, senior U.S. officials have had four meetings with their Burmese counterparts, with a fifth one expected soon. “Our most decisive interactions have been around North Korea,” the official said. “We’ve been very clear to Burma. We’ll see over time if it’s been heard.” (John Pomfret, “White House Wary As Burma Deepens Military Relationship with North Korea,” Washington Post, March 4, 2010, p. A-13)

North Koreans are getting better medical treatment as the result of a joint program between the two Koreas that has trained thousands of doctors, provided modern equipment and renovated hospitals, the World Health Organization said. Maternal mortality has declined by over 20 percent since 2005, and diarrhea cases and deaths in operations have also dropped, said Dr. Eric Laroche. WHO has helped in the wide-ranging program, which started in 2006 and is funded by South Korea. It has cost a total of $30.2 million so far. The program has trained more than 6,000 doctors and nurses in emergency obstetric care, newborn care and child illnesses, said Laroche, who assessed its progress in a four-day visit to North Korea. The specialization marks a change in health strategy in North Korea, which has about 90,000 family doctors who care for about 130 families each, according to Laroche. “They know each family one by one,” he said. But, he added, “they’re extremely keen to be trained.” (Elaine Engeler,
Monk Beopryun, chairperson of Good Friends, a leading North Korean human rights NGO, said during a lecture held in Korus House, culture center of the South Korean Embassy in Washington, “After the currency reform, a number of people have starved to death since mid-January.” It is known that the price of foods have risen 45 times compared to that before the currency reform. Monk Beopryun said, “The aim of currency reform was to restore the system of a planned economy, however, most supplies to the country have been stopped, because the distribution system of the planned economy has not worked well, while circulation at the marketplace has been banned.” He added, “If no specific countermeasures are taken in response to this situation, starvation will become an even more serious threat by March or April.” He emphasized the need to send humanitarian food aid to North Korea. (Hankyore, “Reports Say 2 Thousand N. Koreans Have Starved to Death since Currency Reform,” March 6, 2010)

Minju Chosun signed commentary: “Should the U.S. imperialists and the south Korean puppet warmongers launch the joint military exercises for aggression defying the DPRK’s repeated warnings, the KPA will react to them with strong military counteraction and, if necessary, mobilize all its offensive and defensive means including nuclear deterrent to mercilessly destroy their bulwark of aggression. War does not know any mercy. If they ignite a war against the DPRK, they will have a taste of the strong self-defensive war deterrent which the army and people of the DPRK have built under the banner of Songun. Only deaths await the aggressors, the commentary concludes.” (KCNA, “Cancellation of Anti-DPRK Nuclear War Exercises Called for,” March 5, 2010)

Panmunjom Mission of the KPA spokesman’s statement “in connection with the fact that the U.S. and the south Korean authorities finally set about the DPRK-targeted Key Resolve and Foal Eagle joint military maneuvers: “The revolutionary armed forces of the DPRK will no longer be bound to the Armistice Agreement and the north-south agreement on non-aggression. There is no reason whatsoever for the DPRK to remain bounded to the AA and the non-aggression agreement now that the other belligerent party scrapped the AA and the other dialogue partner reneged on the non-aggression agreement. The revolutionary armed forces of the DPRK will, therefore, legitimately exercise their force for self-defense, unhindered, just as they had determined to do. The process for the denuclearization of the Korean Peninsula will naturally come to a standstill and the DPRK bolster its nuclear deterrent for self-defense given that the saber-rattling is proven to be nuclear war exercises and maneuvers for a war of aggression against the DPRK in its nature. It is an inviolable right of the revolutionary armed forces of the DPRK for self-defense to counter with powerful nuclear deterrent the U.S. nuclear offensive means threatening the territorial waters and air and land of the DPRK on account of exercises. The revolutionary armed forces of the DPRK will be left with no option but to exercise merciless physical force as the rival is set to do harm to the DPRK no matter how dear peace, national reconciliation and cooperation are to it. It is their stand to settle accounts
with the rival by actual use of military force if it does not wish neither to conclude a peace treaty nor have reconciliation and cooperation. (KCNA, “KPA Panmunjom Mission Vows to Build up Nuclear Deterrent,” March 7, 2010)

57 percent of respondents to the latest Yomiuri Shimbun survey do not want the DPJ to win a majority of seats in this summer’s House of Councilors election, surpassing the 33 percent who said the party deserved to gain a majority. The survey also found the approval rating for the Hatoyama Cabinet was 41 percent, down three percentage points from the previous poll a month earlier. The Cabinet’s disapproval rating increased by three percentage points to 50 percent. Asked which party they would vote for in the proportional representation blocs in the election, 25 percent said they would vote for the DPJ, down two percentage points, while 22 percent said they would choose the LDP, the same level as in the previous survey. The latest telephone survey was conducted Friday through Sunday. (Yomiuri Shimbun, “57% Oppose DPJ Majority in Upper House; Approval Rate for Cabinet Falls to 41%,” March 8, 2010)

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DPRK FoMin spokesman: “The U.S. and south Korean authorities finally kicked off nuclear war exercises aimed at mounting a preemptive attack on the DPRK defying its repeated warnings and the concern of the international community. They launched such large-scale war exercises at a time when the DPRK government advanced an important proposal for building a lasting peace-keeping regime on the Korean Peninsula. This cannot be interpreted otherwise than a grave provocation. It is an act of chilling the efforts to realize the denuclearization of the peninsula. This fact indicates that though there was a regime change in the U.S. there is no change in the U.S. administration’s hostile policy towards the DPRK, a policy to bring down by force the ideology and system chosen by its people. The U.S. is leaving no means untried to bring down the DPRK including military threat, economic sanctions and ideological and cultural poisoning. Military threat and economic sanctions cannot go with dialogue based on equality and they are incompatible with the process for denuclearization, in particular. Without a peace treaty it is impossible to defuse the military confrontation on the Korean Peninsula and it can never be denuclearized unless this confrontation is put to an end. The justice of the DPRK’s proposal for concluding a peace treaty has been proved once again. The DPRK is fully ready for dialogue and war. It will continue bolstering up its nuclear deterrent as long as the U.S. military threats and provocations go on.” (KCNA, “DPRK Fully Ready for Dialogue and War: Spokesman for Its Foreign Ministry,” March 9, 2010)

Desperate for foreign exchange North Korea has been generating hard currency by re-exporting British cigarettes, despite renewed efforts by the international community to apply tougher sanctions on the impoverished state. North Korean and other Asian trading entities started re-exporting State Express 555 cigarettes, manufactured by British American Tobacco in February last year, just months before North Korea’s second nuclear test in four years prompted the United Nations to impose tougher sanctions on Pyongyang. BAT sold the so-called “NK 555s,” made and packaged in Singapore for the North Korean market, to a Singaporean distributor for shipment to Nampo, a port near Pyongyang. However, at least 15,000 cases worth $6.3 million rebounded out of Nampo to ports in Vietnam and the Philippines, according to
documents seen by the Financial Times, to go to other markets where they commanded a higher price. U.N. member nations have been allowed to compile their own sanctions lists, which critics say created loopholes. The US, Japan, Australia and Canada banned a broad range of tobacco products. Meanwhile, the European Union and Singapore sanctioned only cigars, which allowed BAT to continue exporting NK 555 cigarettes to North Korea. BAT said it halted exports of the cigarettes from Singapore to North Korea after discovering a diverted cargo of NK 555s in August. National customs authorities target counterfeits rather than so-called “diverted real product.” BAT has maintained some business ties to the country. It still supplies its former Pyongyang joint venture, from which it divested in 2007, with materials to make and sell cheaper Craven A cigarettes on the domestic market. BAT says 175 million NK 555s were exported to North Korea in 2008. They were made and packaged in Singapore which, like the EU, banned exports of cigars but not cigarettes. The London-based company sold the NK 555s to SUTL Group, a family-controlled distributor in Singapore, for onward shipment to the North Korean port of Nampo. “When we became aware of the diversion, we immediately launched an investigation,” Pat Heneghan, global head of BAT’s anti-illicit trade division, told the FT. “We certainly didn’t like what we found.” While there was no evidence of any involvement by SUTL in the diversion, Heneghan said BAT still had “a very hard discussion with the distributor.” SUTL declined to comment. There is no evidence that the re-export of NK 555s by a number of unidentifiable North Korean entities and other small trading companies across Asia was illegal. While tobacco companies consider the re-routing of legitimate cigarettes from their intended market as “illicit,” they are not necessarily “illegal” in the eyes of customs authorities focused on counterfeits and smuggling. “In August last year, BAT discovered a diverted NK 555 shipment in Singapore, which we assumed could be for transshipment to other markets in Asia,” said a BAT spokeswoman. “But we were unable to inspect the shipment as we could not demonstrate any breach of Singapore law to the authorities.” On April 10 2009, the NK 555 re-exports were discussed in an e-mail sent by a Singapore-based cigarette trader to a potential buyer in Manila. “We have to confirm by next week,” wrote Bert Lee of Compass Inc. “Empty containers will have to start moving into Nampo . . . So kindly speak and plan with your buyer and let me know if you want to take up this new NK 555 Blue.” Compass began to sell cases of NK 555 to a Hong Kong-based trading company in early 2009. E-mails and shipping documents show the cigarettes were first diverted to Dalian, a Chinese port, and then shipped on to Singapore before finally landing in Haiphong in Vietnam. While the trail ran cold in Haiphong, people tracking the shipment suspected its ultimate destination was China. “They sell it to someone who can handle it for the China market,” said one person involved in the trade, who asked not to be identified. Invoices sent from Compass to its Hong Kong buyer in February 2009 do not reveal the North Korean source of the NK 555s. But Lee left no doubt about the cigarettes’ provenance. “Stocks are now in NK and sample already send [sic] out to us,” he wrote to his potential buyer in Manila. “I hope we can work on this New Blue [555] and controlling the market and stocks as soon as possible.” Lee did not reply to phone calls, e-mails and faxes from the FT. “As a trader, we just get the product and buy and sell,” said one Compass executive who declined to identify himself or comment on the NK 555 shipments when contacted by telephone. “Where it goes, who knows?” (Tom
North Korea has set up an independent military division to deploy and operate its medium-range ballistic missiles, a South Korean government source quoted by Yonhap said. North Korea has developed a missile called the Musudan-1 with a range of 3,000 km. with a range of more than 3,000 kilometers (1,860 miles) capable of hitting US military bases in Japan and Guam. “We believe the operation of this separate unit indicates North Korea’s intention to produce new IRBMs,” the source was quoted as saying. “These missiles have US military bases in Japan and also in Guam in range.” Seoul’s 2008 defense ministry white paper confirmed the North recently deployed intermediate-range missiles after developing them since the late 1990s, but gave no details. “We presume that it is natural for the North to have a unit to run the weaponry system, but we cannot confirm whether such a division has been created,” ministry spokesman Won Tae-Jae told a briefing. (AFP, “N.K. Launches a Medium-Range Missile Unit,” March 9, 2010)

In 2008 North Korea exported an estimated total of $2,801 million in merchandise (up from $2,535 million in 2007) while importing $4,127 million (up from $3,437 million in 2007). This created an apparent merchandise trade deficit of $1,326 million (up from $901 million in 2007). Imports from China, in particular, rose 46% from $1,393 million in 2007 to $2,033 million in 2008. North Korean exports to China of $754 million in 2008, generated a trade deficit with China of $1,279 million. If South Korean exports to and imports from the Kaesong Industrial Complex just across the border in North Korea are not counted, the vast majority of North Korean trade is with China. Economic sanctions imposed by Japan and the United States have reduced their respective trade with the DPRK to almost nothing except for intermittent humanitarian aid. In 2008, China’s major imports from North Korea included ores, mineral fuels (coal), iron and steel, woven apparel, fish and seafood, and salt/sulfur/earths/stone. China’s major exports to North Korea include mineral fuels and oil, electrical machinery, machinery, knit apparel, plastic, vehicles, man-made filament, and iron and steel. A recent development has been North Korea’s increase in exports of primary products (such as fish, shellfish and agro-forest products) as well as mineral products (such as base metallic minerals). Pyongyang reportedly has imported aquaculture technology (mainly from China) to increase production of cultivated fish and agricultural equipment to increase output of grains and livestock. It also has imported equipment for its coal and mineral mines. Much of the coal and mineral exports have resulted from partnering with Chinese firms through which the Chinese side provides modern equipment in exchange for a supply of the product being mined or manufactured. China is a major source for North Korean imports of petroleum. According to Chinese data, in 2008, exports to the DPRK of crude oil reached $414 million, and exports of oil (not crude) totaled $120 million. Total exports of mineral fuel oil of $585 million accounted for 29% of all Chinese exports to the DPRK. China, however, does not appear to be selling this oil to North Korea at concessionary prices. In 2008, the average price for Chinese exports of crude oil to North Korea was $0.78 per kilogram, while it was $0.71 for such exports to the United States, $0.66 for South Korea, $0.81 for Japan, and $0.50 for Thailand. China also provides aid directly to Pyongyang. By
bypassing the United Nations, China is able to use its assistance to pursue its own political goals independently of the goals of other countries. It is widely believed that some Chinese food aid is taken by the DPRK military. This allows the World Food Program’s food aid to be targeted at the general population without risk that the military-first policy or regime stability would be undermined by foreign aid policies of other countries. China is the largest foreign direct investor in North Korea (not counting South Korean investment in the Kaesong Industrial Complex). In 2007, the total foreign direct investment (FDI) into the DPRK reported to the United Nations amounted to $67 million (excludes investment from South Korea). Of this, China supplied $18.4 million. In 2008, of a total of $44 million, China supplied $41.2 million. Chinese companies have made major investments aimed at developing mineral resources located in the northern region of the DPRK. This is part of a Chinese strategy of stabilizing the border region with the DPRK, lessening the pressure on North Koreans to migrate to China, and raising the general standard of living in the DPRK. Some of the Chinese investment include:

- China Tonghua Iron and Steel Group (a state owned but partially privatized enterprise) has invested 7 billion yuan (approximately $875 million) in developing the DPRK’s Musan Iron Mine, the largest open-cut iron mine in Asia with verified iron-rich ore reserves reaching seven billion tons.
- China’s Tangshan Iron and Steel Company (Hong Kong capital) is building a steel smelting plant in the DPRK with an annual steel output of 1.5 million tons. It is to be jointly funded by the DPRK side and is to involve joint development and utilization of nearby iron ore.
- The China Iron and Steel Group (joint stock enterprise) reportedly is developing a molybdenum mine in the DPRK with a goal of producing more than 10,000 tons of molybdenum concentrate per year.
- China’s Jilin Province also has cooperated with the Hyesan Youth Copper Mine, Manp’o Zinc and Lead Mine, and the Hoeryo’ng Gold Mine in the DPRK. One project is to transmit electricity from Jilin’s Changbai County to the DPRK in exchange for the gold, copper, and other ores. In 2007, the Luanhe Industrial Group and another unnamed Chinese privately owned company took a 51% controlling interest in Hyesan Youth Copper Mine.
- China’s Heshi Industry and Trade Company (a private company) along with the International Mining Company have set up a joint venture with the DPRK’s So’gyo’ng 4 Trade Company called the “DPRK-China International Mining Company.”
- China Minmetals (State controlled enterprise) established a joint venture for mining coal with the DPRK at the Ryongdu’ng Coal Mine.
- China’s Zhaoyuan Shandong Guoda Gold Stockholding Company and the DPRK Committee for the Promotion of External Economic Cooperation have established a joint venture mining company to mine the gold in the DPRK’s Mt. Sangnong and to ship all the mined gold concentrate to Zhaoyuan for smelting. …

China, however, has cooperated with the U.N. sanctions by cancelling a joint venture with North Korea to produce vanadium (used to toughen steel alloys used in missile casings) and has intercepted a shipment of 70 kilograms of vanadium hidden in a truckload of fruit crossing the border into North Korea. In 2008, China exported an estimated $100 million to $160 million in sanctioned luxury goods. China’s monthly exports of luxury goods prohibited under the U.N. Resolutions. The resolutions did not
specify exactly which Harmonized System trade categories were affected. Therefore, banned items was generated using the Harmonized System categories that appear to match most closely those categories listed by the U.S. Department of Commerce and European countries in their export control orders. The figure indicates that the ban has had little effect on China’s exports of luxury goods to the DPRK. Following both UN resolutions, such exports continued to rise with some month-to-month fluctuations. Note that the food and beverage category includes only luxury food items such as prepared beef, caviar, crab/lobster/shellfish, and alcoholic beverages. It also is apparent from the figure that Pyongyang seems to go on a buying spree for luxury goods in December, possibly in preparation for celebrations and gift giving associated with the New Year. Chinese exports of luxury goods to the DPRK have been in the range of $100 to $200 million per month. It is possible that China views sanctions on exports of luxury goods as “unenforceable,” since such goods can be bought on the open market by North Korean traders (and their representatives) who are engaged in buying a variety of other consumer goods from wholesale and retail outlets. China also may be focusing its efforts on large, security related items rather than luxury goods.


France’s move to improve relations with North Korea has stalled as South Korea, the United States, and Japan voice concerns that it will send the wrong message while Pyongyang continues to stay away from multilateral talks on its nuclear program, a South Korean government source said. France, the only European Union member without a normal diplomatic relationship with North Korea, launched a diplomatic outreach to Pyongyang last year, with President Nicolas Sarkozy sending a high-level envoy to the socialist nation last November. The efforts appeared to produce progress, as the North announced the following month that it approved France’s plan to open a cultural office in its capital as part of broader efforts to eventually establish diplomatic ties between the two sides. “It no further progress is being made,” the source said, citing information from the French government. “South Korea and France’s other friendly nations including the U.S. and Japan delivered opinions that such a move may send a wrong message to North Korea at a time when it is refusing to return to the six-way talks.” (Yonhap, “France Faces Backlash against Plan to Open Office in Pyongyang,” North Korea Newsletter, No. 97, March 11, 2010)

Goodby: “Participants in the Six-party Talks have said that a peace treaty can be negotiated once the North Korean nuclear issue has been resolved. North Korea has declared that a peace treaty should be negotiated now, as part of the North Korea’s return to the Six-party talks. It goes without saying that this demand is a political impossibility. You don’t conclude and ratify a peace treaty overnight. … One of the main ways to open the process towards a peace regime could be negotiating a U.S. – North Korea interim agreement on regulating military activities on and around the Korean Peninsula, in the context of a North Korean acceptance of disabling and dismantlement of its weapons programme. South Korea should join in, and probably China. This interim agreement would not be a peace treaty. Relations are not yet mature enough for that. But, this agreement could define borders and provide a Four-
party Consultative mechanism between North and South Korea, China and the United States – those nations most directly concerned with the Armistice Agreement. European post-war experiences might be useful references in this process, including military confidence-building measures, a CSCE invention in 1970s. Such agreements, like “an incidents at sea” agreement, which helped the U.S. and Soviet navies avoid confrontations in the last years of the Cold War, would be a genuine step forward.” (James Goodby and Markku Heiskanen, “Northeast Asia - A Major Global Challenge for the New Decade” NAPSnet, March 9, 2010)

3/10/10 North Korea plans to replace Ri Tcheul, its ambassador to U.N. agencies in Geneva, who is believed to be a key manager of leader Kim Jong-il’s alleged secret funds stashed overseas, Yonhap reported, citing an unidentified diplomat in Bern. Ri is to step down as early as late this month after about 30 years of service in Switzerland. “Ri Tcheul has been exposed too much” as the manager of the secret funds, said Yang Moo-jin, a professor at the University of North Korean Studies in Seoul. (Hyung-jin Kim, “Report: N. Korea to Replace Top Diplomat in Geneva,” Associated Press, March 10, 2010)

U.S. troops who would be tasked with eliminating North Korea’s weapons of mass destruction in the event of armed conflict are participating in military drills with South Korea, the top U.S. commander in the country said. “They are here for this exercise and if we ever went to war, they would naturally come also,” Army Gen. Walter Sharp told reporters at Yongsan Garrison, the main U.S. military headquarters in central Seoul. Sharp said that the troops are carrying out daily exercises with South Korean troops to practice locating, securing and eliminating the North’s weapons of mass destruction. “What we are training for is all the threats that North Korea can throw at us,” Sharp said. About 18,000 American soldiers and an undisclosed number of South Korean troops are taking part in the war games, dubbed Key Resolve and Foal Eagle, according to U.S. and South Korean militaries. Some involve computer simulation. (Kwang-tae Kim, “U.S. Anti-WMD Troops Join Military Drills in S. Korea,” Associated Press, March 11, 2010)


3/12/10 Top nuclear negotiators of South Korea and Japan urged North Korea Friday to immediately return to six-nation talks on ending its nuclear programs. The meeting between South Korea’s Wi Sung-lac and his Japanese counterpart, Akitaka Saiki, was held in Seoul as Saiki stopped here on his way to Jeju for a meeting with Japanese diplomats. Wi and Saiki agreed there will be no reward for North Korea’s mere return to the nuclear negotiations that also involve the United States and Russia. “The sides agreed the North must return to the six-party talks without any preconditions, and that although North Korea continues to demand the removal of U.N. sanctions, such a move can only be considered when there is significant progress in the
The government pledged to develop technology that will dramatically reduce radioactive waste and recycle spent nuclear fuel as an alternative resource. The pledge, a thinly veiled protest against U.S. refusals to allow Korea to reprocess its own spent nuclear fuel rods, was made by Prime Minister Chung Un-chan in his opening speech at the 2010 Summit of Honor on Atoms for Peace and Environment that kicked off in Seoul. “The premise to the successful worldwide adoption and use of atomic technology is bilateral or multilateral cooperation through sharing of relevant information and experience,” he said. Seoul is banned from reprocessing spent fuel rods under a nuclear agreement with the U.S., signed in 1953 and amended in 1973. It expires in 2014, and the two sides are gearing up for negotiations for its renewal. However, former International Atomic Energy Agency chief Mohamed ElBaradei said today, “All new enrichment and reprocessing activities, anywhere in the world, in future should be put exclusively under multilateral control.” He said that the “final step” would be “to convert all existing enrichment and reprocessing facilities from national to multinational operations.” (“Chosun Ilbo, Seoul Pledges to Develop Nuclear recycling Technologies,” March 12, 2010)

Constructive dialogue and engagement are needed to resolve North Korea’s nuclear ambitions, the former secretary general of the International Atomic Energy Agency (IAEA) said. In a press conference held at the Summit of Honor on Atoms for Peace and Environment (SHAPE) in Seoul, Mohamed ElBaradei said that while pressure can resolve an impasse, a solution to ending Pyongyang’s nuclear program will come from holding talks. “In my opinion, the issue involves North Korea’s insecurity and need for economic development, and in order for headway to be made, the world should address both these issues,” he claimed. He said that only by alleviating concerns that Pyongyang will not be attacked or be subject to regime change can there be progress. On South Korea’s mounting nuclear fuel waste problem that may force it to come up with a “definitive” solution by 2016, ElBaradei said a multi-lateral solution should be followed that is safe, economical and does not risk current non-proliferation efforts. He added that working with other countries is better than taking independent measures, even if South Korea has the know-how to engage in such advanced technologies as pyroprocessing. (Yonhap, “Dialogue Needed to Resolve N. Korean Nuclear Standoff: ElBaradei,” North Korea Newsletter, No. 98, March 18, 2010) South Korea is contemplating a decision that could have critical implications for the future of the international nonproliferation regime: whether to reprocess its spent fuel. Driven by a combination of factors—local government resistance to extended spent fuel storage at its nuclear power plants, irritation that the United States has consented to spent fuel reprocessing in Japan but not South Korea, and alarm over North Korea’s nuclear weapons program—much of South Korea’s nuclear establishment wants to do so. Japan is the only non-nuclear-weapon state today that reprocesses or attempts to do...
so. Reprocessing makes no sense economically, and contrary to the claims of its advocates, it complicates radioactive waste disposal. Given the U.S. inability to site either a geological repository or a central interim spent fuel storage facility, there should be some sympathy in the United States for the plight of the nuclear utilities in South Korea and Japan. Yet, the United States has another option once the spent fuel storage pools at its power reactors become full: dry-cask storage of the older, cooler spent fuel next to the reactors. Japan’s and South Korea’s nuclear utilities claim that they do not have that option because local governments are not allowing them to build on-site dry-cask storage. Reprocessing creates huge flows and stockpiles of separated plutonium. Japan’s reprocessing plant in full operation will separate enough plutonium to make 1,000 nuclear bombs annually. South Korea’s nuclear establishment proposes not to separate the plutonium completely from other transuranic elements, but the final separation step would be relatively trivial. The United States consented to Japan’s reprocessing program during the Carter administration only after the issue had escalated to the point where Prime Minister Takeo Fukuda was stating publicly that the right to reprocess was “a life or death issue for Japan.” The trauma of the 1973 Arab oil embargo was still a fresh memory, and it is likely that the prime minister had been convinced by Japan’s nuclear energy establishment that a rapid transition to plutonium breeder reactors, which require reprocessing, would free Japan from a similar dependence on imported uranium. Today the rhetoric around reprocessing is escalating in South Korea. Following North Korea’s nuclear test in May 2009, the political opposition demanded that South Korea have “nuclear sovereignty,” i.e., the same rights as Japan. The 1974 U.S.-South Korean nuclear cooperation agreement requires U.S. consent if “any irradiated fuel elements containing fuel material received from the United States of America [are to be] altered in form or content.” As a matter of policy, South Korea requests that the United States agree to such activities even if U.S.-origin material is not involved. The cooperation agreement will expire in 2014, however, and South Korea wants to negotiate a new agreement that will give it the same programmatic permission that the United States has given the European Union, Japan, Switzerland, and, with certain conditions, India. South Korea’s government-supported Korea Atomic Energy Research Institute (KAERI) has launched a campaign to try to convince the Obama administration and the U.S. nongovernmental nonproliferation community to agree to this proposal. At the end of January 2010, the U.S. government responded to high-level South Korean lobbying on this issue by agreeing with South Korean Vice Foreign Minister Chun Yung-woo to what he described as “a technological and economical feasibility study by experts on pyro-processing prior to the negotiations on revising” the 1974 nuclear cooperation agreement. Pyroprocessing is the variant of reprocessing that South Korea is pursuing. If the U.S. government and nonproliferation community accept South Korea’s need to reprocess, however, it will become difficult to resist the same demand from additional countries. South Africa, for example, also has expressed an interest in reprocessing. One of its nuclear officials has described reprocessing as “an element of contemporary power relations.” Implementation of pyroprocessing in South Korea would be inconsistent with its 1992 joint declaration with North Korea on the denuclearization of the Korean peninsula. Under this agreement, the two countries agreed not to “possess nuclear reprocessing and uranium enrichment facilities.” Pyroprocessing advocates in South Korea point out that North Korea has repeatedly broken the 1992 agreement
and argue that there is little hope that North Korea will denuclearize any time in the foreseeable future. If South Korea were to launch a pyroprocessing program, however, it would at best further complicate efforts to persuade North Korea to carry through on the commitment it made in 2005 to end its nuclear program. At worst, it could lead to a nuclear arms race between South and North. Concerns that South Korea’s interest in reprocessing could destabilize the nonproliferation regime should stimulate China, Japan, Russia, South Korea, and the United States—the countries that, along with North Korea, are the participants in the six-party talks on Pyongyang’s nuclear program—to discuss alternatives to a proliferation of national reprocessing plants. The U.S. government must also resist demands from some congressional Republicans that spent fuel reprocessing be part of any U.S. program to deal with climate change. South Korea has nuclear power reactors at four sites with a combined generating capacity of about 18 gigawatts-electric (GWe) and more reactors with a total additional 10 GWe under construction. There are plans to build enough generating capacity for an additional 15 GWe by 2030. That would bring total South Korean nuclear generating capacity to 43 GWe, almost equal to Japan’s nuclear generating capacity today. South Korea’s nuclear utility, Korea Hydro and Nuclear Power (KHNP), has stated that the spent fuel pools at some of its power reactors will be full in 2016. In theory, the older spent fuel in the pools could be shifted to the pools of newer reactors being built on some of the same sites or to dry-cask storage, as is standard practice at U.S. nuclear power plants. In practice, local communities in South Korea are expected to resist both of these on-site storage expansion approaches. In January 2009, the South Korean Ministry of Knowledge Economy established the Korea Radioactive Waste Management Corporation and launched a public consensus process to formulate a national policy on spent fuel management. Six months later, however, the Blue House (South Korea’s equivalent of the U.S. White House) halted the process and then announced that a legal framework was required and that expert opinion would have to be solicited first. The political issues facing South Korea with regard to interim storage are similar to the ones that Japan has been confronting for about 25 years. Originally, Japanese nuclear utilities embraced reprocessing because they shared the vision promoted in the 1960s by the United States that the future of nuclear power would be plutonium breeder reactors. In the 1980s, therefore, Japanese nuclear utilities began to ship their spent fuel to Europe for reprocessing to obtain separated plutonium for startup cores for breeder reactors. Today, Japan’s nuclear establishment does not expect to commercialize breeder reactors until after 2050. Therefore, it is trying to dispose of almost 50 tons of separated plutonium by recycling it into fuel for the light-water reactors (LWRs) that originally produced it. Japan’s reprocessing program continues, however, and Japan has even built its own hugely costly reprocessing plant because the facility provides an interim storage destination for both Japan’s spent fuel and the reprocessing waste that is being shipped back from France and the United Kingdom. Commercial operation of the Rokkasho Reprocessing Plant, which has a design capacity to reprocess 800 tons of spent fuel annually, has been delayed for more than eight years. The plant’s on-site storage capacity for about 3,000 tons of spent fuel is almost full. In any case, the plant does not have the capacity to reprocess spent fuel at the same rate it is discharged from the country’s power reactors. As a result, Japanese utilities are still confronted with the challenge of building additional storage capacity. KAERI, with support from the South Korean Ministry of Education,
Science and Technology, urges that the spent fuel from the country's pressurized water reactors (PWRs) be reprocessed using pyroprocessing technology. That technology electrochemically separates the elements in the fuel after they have been dissolved in molten salt instead of in acid, as is done in standard PUREX reprocessing. The plutonium and other transuranic elements recovered from PWR fuel then would be recycled repeatedly in the fuel of liquid-sodium-cooled fast-neutron reactors until they were completely fissioned except for process losses. The liquid-sodium-cooled reactors would be basically the same plutonium breeder reactors on which the industrialized countries have spent about $100 billion in research and development (R&D) and (mostly failed) demonstration projects, but with their cores reconfigured so that they would be net consumers rather than producers of plutonium. Opinion within South Korea's government is supportive of pyroprocessing R&D but divided on actual deployment. KHNP refuses to back KAERI's proposed approach until it sees credible cost estimates. KAERI has had a modest R&D program on spent fuel reprocessing ever since the early 1970s, when South Korea briefly pursued nuclear weapons after President Richard Nixon proposed that U.S. allies in Asia take primary responsibility for their own defense. Since 1997, KAERI has been doing R&D related to pyroprocessing. About 10 percent of KAERI's 1,100 employees work on this effort. This small group of government-funded researchers has had an outsized impact on South Korean spent fuel management policy. Like their counterparts at the Argonne and Idaho national laboratories in the United States, their primary interest is to sustain political support for reprocessing and fast-neutron-reactor R&D. Given public concerns about radioactive waste, key politicians have seized on KAERI’s claim to have a “solution” to the spent fuel problem. KAERI has not yet carried out any processing of irradiated fuel in its pyroprocessing R&D program but has requested U.S. permission to do so. It has constructed an Advanced Spent Fuel Conditioning Process Facility capable of converting the uranium and transuranic elements in 20-kilogram batches of spent PWR fuel from oxide to metal form. No chemical separation would occur at this stage, but the high temperatures involved would drive off the volatile element cesium-137, which generates most of the gamma radiation field around spent fuel that is more than a decade since discharge. This would make it much easier to separate the plutonium. Although plutonium recovered from LWR fuel is not of weapons grade, it is weapons usable. A single 1-GWe pressurized-water nuclear power plant discharges about 200 kilograms of plutonium in its spent fuel annually—enough, if separated, for 25 Nagasaki-type nuclear bombs. Vice President Dick Cheney’s 2001 energy task force declared pyroprocessing more “proliferation resistant” than conventional reprocessing. Pyroprocessing was one focus of the Bush administration’s Advanced Fuel Cycle Initiative, which included collaborative research on pyroprocessing between KAERI and the Department of Energy’s nuclear energy laboratories. For some time, Bush administration officials who were sympathetic to South Korea’s interest in pyroprocessing even tried to argue that “pyroprocessing is not reprocessing.” KAERI has made similar claims. The primary basis for the claim that pyroprocessing is proliferation resistant is that, unlike traditional PUREX reprocessing, it does not produce pure plutonium. However, like PUREX, pyroprocessing separates plutonium from the fission products that account for most of the gamma radiation field around spent fuel. As a result, the radiation field around the transuranic mix produced by pyroprocessing would be reduced to about 0.1 percent of that around the spent fuel
and to less than 1 percent of the International Atomic Energy Agency’s self-protection standard. Therefore, it would be possible to separate plutonium from the mix without the remote operations behind heavy shielding required for recovering plutonium from spent fuel. Given the confusion that was generated during the Bush administration, it is useful that the implications of this fact were recently stated clearly in a report by an Energy Department multilaboratory task force: “The assessment focuses on determining whether three alternative reprocessing technologies—COEX, UREX+, and pyroprocessing—provide nonproliferation advantages relative to the PUREX technology because they do not produce separated plutonium. [We] found only a modest improvement in reducing proliferation risk over existing PUREX technologies and these modest improvements apply primarily for non-state actors.” Pyroprocessing thus is slightly more proliferation resistant than traditional PUREX reprocessing but much less proliferation resistant than not reprocessing at all. KHNP currently projects that the spent fuel storage space at its Kori, Wolsong, Ulchin, and Yonggwang sites will be full in 2016, 2017, 2018, and 2021, respectively—only six to 11 years hence. KAERI will still be early in its pyroprocessing R&D program at that time. It has proposed completion of: 1. An engineering-scale facility with the capacity to reprocess 10 tons of PWR spent fuel per year by 2016. By that time, South Korean PWRs will be discharging more than 400 tons of spent fuel per year. 2. A prototype facility with the capacity to reprocess 100 tons of spent fuel per year by 2025. By 2030, South Korean PWRs are expected to be discharging about 800 tons of spent fuel per year. KAERI does not project a date for having an operational pyroprocessing facility capable of dealing with South Korean spent PWR fuel at a rate at which it is being produced, but it proposes building only one 0.6 GWe demonstration fast-neutron reactor before 2050. In order to fission the transuranics discharged annually in the spent fuel of 40 GWe of PWRs—the nuclear generation capacity South Korea is projecting it will have in 2030—it would have to deploy 16-30 GWe of fast-reactor capacity. Thus, before 2050, KAERI’s program would address only a small fraction of KHNP’s spent fuel production. Whatever the long-term solution for South Korean spent fuel, it will need more interim storage. In the meantime, if KAERI’s prototype pyroprocessing facility and fast-neutron reactor were built and operated at full capacity, South Korea would be accumulating about 100 bomb equivalents of excess separated plutonium annually. The demonstration fast-neutron reactor would have a generating capacity of 0.6 GWe and would require an initial fuel-cycle inventory of 2-3 tons of plutonium. After it started, however, even if operated at 90 percent average capacity, it would have a net consumption of only 0.2-0.4 tons of transuranics per year, while the prototype pyroprocessing facility would be separating out about a ton per year. Even South Korea’s proposed engineering-scale pyroprocessing plant, if operated at full capacity, would separate out about 100 kilograms of plutonium annually, enough for more than 10 Nagasaki-type bombs. Therefore, South Korea’s pyroprocessing R&D program would deliver a nuclear-weapon option quite quickly, as did India’s reprocessing program. Thus, South Korea would be going down the same track as France, India, Japan, Russia, and the United Kingdom, where huge stockpiles of excess separated plutonium were produced with reprocessing plants that were originally proposed in the 1970s on the basis of expectations that, by 2000, the world would be building more than 100 GWe of fast-neutron reactor capacity each year. Pending the construction of a geological repository, South Korea would have to store at its
pyroprocessing plant the fission products, the surplus transuranics, and the uranium separated from the spent fuel. It would be far less costly and much less destabilizing both to the nonproliferation regime and the disarmament negotiations with North Korea if interim storage of these materials were in intact fuel, i.e., if South Korea did not have a stockpile of separated weapons-usable material. In Japan, the extra cost of PUREX reprocessing has been estimated by Japan’s Atomic Energy Commission as $2,400 per kilogram. A U.S. national laboratory comparison has found that the cost of pyroprocessing could be considerably higher than for PUREX reprocessing. By comparison, the cost of centralized interim dry-cask storage for LWR spent fuel is very inexpensive—only about $100 per kilogram. KAERI argues that South Korea is not large enough to accommodate the repositories that would be required to hold the quantity of unprocessed spent fuel projected to be discharged by South Korean PWRs by 2100. Yet, KAERI’s claims for reductions in repository size that could be achieved by pyroprocessing are incorrect for South Korea because they are based on analyses that have been done by U.S. pyroprocessing advocates for Yucca Mountain. In those analyses, the area of a spent fuel repository is determined by the requirement that the peak temperature in the rock midway between the waste-holding tunnels in a repository not exceed the boiling temperature of water, in order to allow the passage of liquid water downward between the tunnels. This temperature, about 40 meters from the spent fuel casks, would peak about 2,000 years after the emplacement of the spent fuel. During this period, the long-lived transuranics would be the dominant contributors to the accumulated radioactive heat in the rock around the tunnels. This analysis is irrelevant to the Swedish type of geological repository being considered by KAERI, in which spent fuel would be buried in copper canisters embedded in clay in water-saturated granite. For KAERI’s design, the capacity limit would be determined by the requirement that the clay around the canister not dry out and crack. Therefore, the amount of spent fuel that can be emplaced in a cask is determined by the current heat output of the spent fuel, not its output over millennia. KAERI’s analyses assume that spent PWR fuel would be emplaced in a repository 40 years after discharge from the reactor. At that time, the transuranics account for slightly less than one-half of the radioactive heat generation from spent fuel. Eliminating them would increase the capacity of a repository approximately by a factor of two. The same result could be accomplished, however, by waiting until the spent fuel is 100 years old before emplacing it in the repository. By then, the 30-year-half-life fission products that dominate the fission-product heat output at 40 years would have largely decayed away. Because of political constraints imposed by local governments on the amount of spent fuel that can be stored at its reactor sites, South Korea must, by around 2020, either find a way to relax those constraints or find an off-site location to which spent fuel can be shipped. KAERI has proposed spent fuel pyroprocessing and transuranic recycle in fast-neutron reactors as a solution, but it does not propose to deploy more than a demonstration fast-neutron reactor before 2050. Therefore, if South Korea pyroprocesses on a large scale before 2050, the separated weapons-usable transuranic elements and fission-product waste would simply accumulate at the pyroprocessing plant. It would be far less costly simply to store South Korean spent fuel, at least until the country can demonstrate that it can succeed in commercializing large numbers of sodium-cooled fast-neutron reactors where all other countries have failed. More importantly from an international security perspective, pyroprocessing
would make plutonium much more accessible, exacerbating the danger of nuclear weapons proliferation. If reprocessing does not facilitate radioactive waste management and is costly and proliferative, it would be far better for the number of countries that are reprocessing to continue to decline rather than to add a second non-nuclear-weapon state to their number. South Korea requires more interim spent-fuel storage. Its government should launch public consultations and see whether there are conditions under which one or more local governments would be willing to provide additional interim storage and perhaps a geological repository for its spent fuel. Aomori Prefecture, which hosts Japan’s reprocessing plant, received 190 billion yen ($1.7 billion) in incentive payments by 2004 before the plant was completed and has been promised 24,000 yen ($216) for every kilogram of spent fuel shipped to the plant. That will total another 760 billion yen ($7 billion) for the projected 32,000 tons of spent fuel that are to be reprocessed during the lifetime of the plant. The total subsidy will be 30 times the $300 million incentive that was part of the package that helped persuade the local governments around South Korea’s Wolsong site to host a 2-square-kilometer underground repository for low- and intermediate-level radioactive waste. Given the inherently low danger from stored spent fuel that has cooled for about two decades in comparison with that from the fuel in an operating nuclear power plant or freshly discharged fuel in at-reactor spent-fuel cooling pools, it is quite possible that, if the compensation were comparable to what Aomori Prefecture is receiving for hosting the Rokkasho Reprocessing Plant, a jurisdiction already hosting a nuclear power plant might be willing to host an interim spent fuel storage site as well. The cost would still be small in comparison to the estimated 11 trillion yen ($100 billion) cost of building, operating, and decommissioning the Rokkasho Reprocessing Plant. In fact, in Sweden and Finland, local jurisdictions that already host nuclear power plants have volunteered to host deep-underground spent-fuel repositories. In the meantime, if R&D on fast-neutron reactors is to continue, it should be done on a multinational basis. Because of the high cost, proliferation concerns, and uncertainty whether these reactors will be cost effective, it does not make sense to develop fast-neutron reactors in national programs. The multinational alternative would be to emulate the fusion energy community where the countries with major fusion energy programs have decided to build a single experimental reactor jointly. Indeed, because of the decline in fission R&D funds, 13 countries established the Generation IV International Forum in 2001 to coordinate their R&D on advanced fission reactors. More than half expressed interest in joint work on fast-neutron reactors: China, the European Union, France, Japan, South Korea, and the United States. Russia, whose nuclear establishment also has a major commitment to fast-neutron reactor R&D, joined the Gen IV Forum in 2006. These countries could use China’s existing small experimental fast-neutron reactor and the BN-800 demonstration reactor being built by Russia for joint R&D. Given the huge surplus of already separated plutonium that some of them already possess, there would be no need to reprocess to acquire the fuel. Far better would be to restrict the focus of collaborative R&D to reactor types that do not require reprocessing. Collaboration on nuclear energy among China, Japan, and South Korea would be especially useful for trust building and nonproliferation in East Asia. What is needed especially is multinational cooperation in the sensitive parts of the nuclear fuel cycle that are required by current-generation reactors operating on a once-through fuel cycle, namely uranium enrichment and spent fuel repositories.
A UN rights expert has accused North Korea’s regime of turning the country “into one big prison,” saying widespread abuses by Pyongyang put it in a class of its own. In a report due to be examined at the UN Human Rights Council on Monday, the expert, Vitit Muntarbhorn, said the ruling elite had created "a pervasive 'state of fear' or 'state as one big prison'" for the masses. He called on top UN bodies such as the Security Council and International Criminal Court to play a more active role in tackling the impunity of the state, potentially for crimes against humanity. “Abuses against the general population for which the authorities should be responsible are both egregious and endemic,” the special rapporteur on human rights in North Korea said. “The human rights situation in this country can be described as 'sui generis' -- in its own category -- given the multiple particularities and anomalies that abound. Simply put, there are many instances of human rights violations which are both harrowing and horrific,” Muntarbhorn’s report said, accusing the military regime of trying “to perpetuate its survival at the cost of the people.” He called on North Korea to immediately restore equitable food distribution, halt executions, physical abuse and violations of civil liberties, and allow him into the country. North Korea has refused to cooperate with the UN expert. Muntarbhorn has relied on interviews with people who fled to neighboring countries and information from rights groups and other sources. “Practices to instill fear among the population are rampant, including public executions, torture, collective punishments and mistreatment of women and children,” as well as extensive surveillance, he noted. He also highlighted reports that the regime had tightened its grip on food distribution by prohibiting smallholders and markets. “The situation concerning food shortages in 2009 -- with impact on 2010 -- remains severe,” especially in the northeast, he added. Muntarbhorn stressed that “the problem is not simply food shortage but distorted food distribution, from which the elite benefits.” (AFP, U.N. Expert Slams ‘Horrific’ Abuse in North Korea,” March 13, 2010)

In a report monitored in Seoul, KCNA declared that Pyongyang will never recognize the “ghost-like” special rapporteur on its human rights, insisting that the system is a “leftover of the already defunct” U.N. committee on human rights. (Yonhap, “N. Korea Rejects Role of U.N. Rights Rapporteur on It,” March 13, 2010)

South Korea recently started constructing a test facility for a sodium-cooled fast reactor capable of reprocessing spent nuclear fuel without generating weapons-grade plutonium, an official at the Korea Atomic Energy Research Institute said. The move seeks to get around a clause in the Korea-U.S. Atomic Energy Agreement that bans Seoul from reprocessing its own nuclear fuel. The agreement expires in 2014. KAERI said it started constructing the W30 billion (US$1=W1,129) experimental facility last month at a science research and development center in Daedeok, Daejeon, and plans to complete construction in 2014. The facility contains a 1:125 scale reactor enabling researchers to conduct tests under identical pressure or temperature conditions as a real reactor. KAERI plans to use the research data to build a full-scale facility by 2028. The country’s capacity to store spent nuclear fuel is reaching its limit. As of the end of last year, South Korea had over 10,000 tons of spent nuclear fuel, and the amount is increasing some 700 tons every year. “We’ve been storing spent nuclear fuel at Gori..."
and Wolseong nuclear power plants, but the facilities will be completely full by 2016,” a government official said. “We can’t build more storage facilities since residents oppose them, so the sodium-cooled fast reactor is the best way to deal with this problem.” China, France, Japan, the U.S. and other advanced countries plan to put similar reactors into operation around 2030. It remains to be seen how the U.S. will react, since Washington is against South Korea’s move to develop the technology, citing the impact it may have on efforts to scrap North Korea’s nuclear weapons program. A senior South Korean official said the process will be entirely transparent “to gain the understanding and support of the international community.” (Chosun Ilbo, “S. Korea Builds Experimental Nuclear Reprocessing Plant,”: March 15, 2010)

North Korea’s food imports from China more than tripled in January from a year earlier, an indication the impoverished nation is bracing for serious food shortages. North Korea brought in 13,834 tons of grain from the neighboring ally in January, a 3.6-fold increase from 3,869 tons a year earlier, said Kwon Tae-jin, a senior researcher on the North’s agricultural sector at the South’s Korea Rural Economic Institute, in a posting on his blog. Rice accounted for about 61 percent or 8,425 tons of the North’s grain imports from China, followed by corn with 3,448 tons, beans with 1,553 tons and wheat with 304 tons, Kwon said, citing data from the Korea International Trade Association. “The big rise in imports of corn and beans, which the North didn’t bring in last year, appears to be not only because the country’s corn harvest was not good, but also suggests the North increased imports over concerns about possible food shortages,” he said. Kwon also said that the North’s regime could have increased imports to enlarge state food rations after last year’s currency reform caused strains on the country’s food supply system. (Yonhap, “N Korea’s Food Imports from China More Than Triple in January,” North Korea Newsletter, No. 98, March 18, 2010)

A propaganda poster in front of the Pyongyang First Department Store shows massive fireworks that took place in April last year and a long-distance rocket whose launch ended in failure last year, both hailed as achievements of leader Kim Jong-il’s son and heir apparent Jong-un. (Chosun Ilbo, “N. Korea Celebrate ‘Achievements’ of Leader’s Heir,” March 15, 2010)

3/16/10 Horrible and getting worse best describes public opinion of the performance of PM Hatoyama and his administration, with 32 percent of voters saying they support the government, down 5 points from last month, according to an Asahi Shimbun survey conducted March 13-14. Those who said they did not support the Hatoyama government rose 1 point from the previous poll conducted Feb. 20 and 21 to 47 percent. Asked if the recent string of political fund mismanagement cases that have hit Hatoyama’s Democratic Party of Japan would affect their votes in the Upper House election this summer, 56 percent of respondents said they would “greatly” affect their decision. This compared with 36 percent who said no. The opposition Liberal Democratic Party was not doing much better, however, with only 15 percent of voters saying they supported the party, down from 18 percent in the previous poll. Meanwhile, unaffiliated voters rose to 50 percent, up from 41 percent in the previous poll. (Asahi Shimbun, “Hatoyama’s Approval; Rating Dives to 32%,” March 16, 2010)
North Korea has increased its missile arsenal by 25 percent in the past two years to about 1,000, expanding the threat the state poses to the region, the South’s defense chief Kim Tae-young said. Pyongyang’s arsenal includes intermediate-range missiles that can hit targets at up to 3,000 km (1,860 miles) away, Yonhap quoted Kim as telling a forum of business leaders. The missiles could hit all of Japan and put U.S. military bases in Guam at risk. South Korea's last estimate of 800 missiles was done in 2008, Yonhap said. (Jack Kim, “N. Korea Has 1,000 Missiles, South Says,” Reuters, March 17, 2010)

A copy of North Korea’s 2008 census obtained by Hankyoreh shows the population of North Korea to be 24,052,231, with the male population of 11,711,838 totaling 95.1 percent of the female population of 12,330,393. This stands in contrast with the slight preponderance of males in the North Korean population, amounting to 101 percent of the female population as of 2006. The population of those aged 65 or older in the overall North Korean population was around 8.8 percent, or 2,096,648 people, indicating a higher percentage of the elderly than in China (8 percent) or India (5 percent). Park Keong-suk, a Seoul National University professor who analyzed the 2008 census data, said that the percentage of those under the ages of 35 to 40 has shrunk. Park said, “It is not as rapid as in South Korea, but North Korea is also showing the pattern of an aging society.” Between October 1 and 15, 2008, some 35 thousand census takers and 8 thousand supervisors were mobilized to carry out the survey in an interview format. The Central Statistics Bureau submitted a sealed copy of its final census report to the U.N. in December 2009, and the specific data have not been released to the public to date. (Hankyoreh, “Census Figures Reveal N. Korea Is Also an Aging Society,” March 17, 2010) Estimates indicate that the number of North Koreans who starved to death during the famine in the mid to late 1990s is estimated around 340 thousand people. Park Keong-suk, Seoul National University sociology professor, reached this conclusion after comparing and analyzing data from the 2008 census and the 1993 census reportedly carried out independently by North Korean authorities. The latest figures are considered have a relatively greater amount of objectivity than the various projections presented previously, as they have been gathered through a formal census procedure. Park said, “If you ignore the scale of migrants [overseas North Koreans who cannot be confirmed statistically], North Korea’s population loss since 1993 as a result of the size of changes in birth and death rates is estimated at around 630 thousand people.” Park added that the population loss as a result of the falling birth rate is around 290 thousand, while the loss resulting from an increased death rate is around 340 thousand. (Hankyoreh, “N.K. Census Says 340 Thousand Died during N. Korea’s ‘March of Tribulation,’” March 17, 2010)

North Korea has informed South Korea of its plan to look into all of the real estate owned by South Koreans inside the scenic mountain resort along its east coast, the South’s government confirmed Thursday, as Pyongyang apparently grows impatient with Seoul’s refusal to allow its citizens to travel there. In a recently faxed message to the South Korean government, the North’s Asia-Pacific Peace Committee, a state agency in charge of cross-border exchanges, said, “South Korean figures who possess real estate in the Mount Kumgang district should come to Mount Kumgang by March 25,” according to the Unification Ministry, which deals with inter-Korean affairs. The
North went on to say, “All assets of those who do not meet the deadline will be
confiscated and they won’t be able to visit Mount Kumgang again.” (Yonhap, “N. Korea
Threatens to Seize S. Korean Assets at Mount Kumgang,” March 18, 2010)

South Korean FM Yu Myung-hwan met his Chinese counterpart Yang Jiechi in Beijing.
Seoul has repeatedly rejected the North’s demands, saying such concessions will only
be possible after the communist nation first returns to the nuclear talks and makes
significant progress toward denuclearization. China, on the other hand, is said to favor
a compromise -- the resumption of the six-way talks after what officials called a
“preliminary” meeting to see what each side wants and what they can give. “China has
not made any specific demands for South Korea to act in any certain way. It is only
saying the countries must work to resume the nuclear talks while trying to understand
North Korea’s position,” a ranking South Korean official here told reporters. (Byun Duk-
kun, “S. Korea, China Call for Early Resumption of N. Korea Nuclear Talks,” Yonhap,
March 18, 2010)

North Korea executed a former top finance official, Pak Nam-gi, last week, holding him
responsible for the country’s currency reform fiasco that has caused massive inflation,
worsened food shortages and dented leader Kim Jong-il’s efforts to transfer power to
a son, Yonhap reported. Pak, who was reportedly sacked in January as chief of the
KWP planning and finance department, was executed at a shooting range in
Pyongyang, according to Yonhap. “All the blame has been poured on Pak after the
currency reform failure exacerbated public sentiment and had a bad effect” on leader
Kim Jong-il’s plan to hand power over to his third son Kim Jong-un, one source told
Yonhap. Pak, a 77-year-old technocrat, was charged with “deliberately ruining the
national economy” as a “son of a big landowner,” the sources said. (Korea Times, “N. K.
Official Executed over Currency Reform,” March 18, 2010)

A U.N. panel monitoring racial equality and nondiscrimination expressed concern
Tuesday about Japan’s possible exclusion of pro-Pyongyang schools for Korean
residents from its planned tuition waiver program for public high school students. In a
report, the U.N. Committee on the Elimination of Racial Discrimination said it
“expresses concern about acts that have discriminatory effects on children’s education,
including . . . the approach of some politicians suggesting the exclusion of North
Korean schools” from the program. The panel urged Tokyo to “ensure that there is no
discrimination in the provision of educational opportunities.” The discriminatory acts
concerned also include “the differential treatment of schools for foreigners and
descendants of Korean and Chinese residing in (Japan), with regard to public
assistance, subsidies and tax exemptions,” it said. The panel also said Japan needs
laws to fight racial discrimination and protect foreign residents and minorities,
countering Tokyo’s view that a national antidiscrimination law is not necessary. (Japan

South Korea is phasing out sand imports from North Korea, delivering a heavy blow to
the impoverished regime which is already reeling economically because of confiscated
arms shipments and bungled currency reforms. Sand was the biggest export to South
Korea from the north in 2008, earning Pyongyang $73 million. This represents about twice as much as it gains annually from wages at factories in Kaesong, a cross-border industrial zone for South Korean companies. South Korean officials told the Financial Times that Seoul would phase out sand exports when existing contracts with its northern neighbor expired. “Once those companies receive their sand, for which they have already paid, that will be the end,” a senior South Korean security official said. (Christian Oliver and Song Jong-a, “Seoul Cuts North Korean Lifeline,” Financial Times, March 19, 2010, p. 6)

France will not open diplomatic relations with North Korea but plans to establish an office there to support non-governmental groups, French FM Bernard Kouchner said. “We are not going to open an embassy, certainly not,” he said at a press conference in Tokyo. “Open an office, yes, in order to help the NGOs there.” France is the only European Union country other than Latvia that does not have diplomatic ties with the communist state. Paris has argued that the human rights situation in North Korea must improve and has cited concerns over nuclear proliferation. (AFP, “France Rules out Opening an Embassy in N. Korea,” March 18, 2010)

The United States and Japan have started formal discussions on a wide range of security issues, including the U.S. nuclear umbrella and missile defense, Michael Schiffer, deputy assistant secretary of defense for Asia and Pacific security affairs, told a hearing of the House of Representatives Committee on Foreign Affairs. Touching on a letter from Japanese FM Okada Katsuya calling for bilateral dialogue on nuclear policy and nuclear deterrence, Schiffer said the two countries began the consultation this year and that several issues were likely to be addressed in the context of nuclear deterrence, including information security, countermeasures against cyber terrorism, use of space and missile defense. (Kyodo, “U.S. Japan Begin Debate on Security Issues Including Nuclear Umbrella,” Mainichi Shimbun, March 18, 2010)

Interviews with more than a dozen senior White House and State Department officials, and friends of Obama and Clinton, suggest that the president and his top diplomat are still easing into their alliance. Most of those interviewed spoke on the condition of anonymity to discuss internal deliberations, but their accounts have been matched against those of other participants whenever possible. The officials and associates tell a story of painstaking cultivation and sublimated ambition, seat-of-the-pants diplomacy and ritualized White House meetings (she sips water; he munches an apple). While their underlings at times grouse about one another – some Clinton supporters call White House officials “The Cardinals” (to suggest that they are too controlling), and some Obama staff members refer to the State Department as “Hillaryland” (the campaign’s leftover name for the enemy camp). Obama and Clinton used humor publicly to take the sting out of their once toxic rivalry. At a summit meeting in April, Brazil’s president, Luiz Inácio Lula da Silva, confessed that he had never expected Obama to be elected president. “Well, neither did I,” Clinton joked. A few weeks later, at the White House Correspondents’ Association dinner, Obama celebrated his new chumminess with Clinton. “The second she got back from Mexico,” he said, “she pulled me into a hug and gave me a big kiss – told me to get down there myself.” Mexico was then battling a swine flu outbreak. To make sure Obama and Clinton talked to each...
other, White House officials scheduled a standing 45-minute meeting on Thursday afternoons. A handful of senior aides sit in, though Obama often clears the room at the end to talk to her privately. At last week’s session, for example, the two discussed rebuking Israel for its plan to build Jewish housing units in East Jerusalem, and Clinton followed up with a stern phone call to Prime Minister Benjamin Netanyahu [but opposed a cutoff of funds]. On Afghanistan, Obama heeded Mrs. Clinton’s counsel to deploy more American troops, but she was echoing the recommendation of Defense Secretary Robert M. Gates. [did she want more than Gates?] And on Iraq, he handed responsibility to Mr. Biden. “You ask people who’ve been in government for a long time, and they would say this is one of the most centralized policy-making operations ever,” said Leslie H. Gelb, president emeritus of the Council on Foreign Relations. Even on small matters, the White House has been intent on getting its way. One of Mr. Obama’s key foreign-policy advisers, Denis McDonough, has clashed over ambassadorial appointments with Mrs. Clinton’s chief of staff, Cheryl D. Mills, a negotiation that is more delicate than usual because the secretary of state, like the president, wants to reward political supporters. And Mr. Obama’s advisers rejected a plan to give Sidney Blumenthal, a longtime Clinton family confidant, a consulting job at the State Department. Administration officials insist that Mrs. Clinton joins in all major debates and voices her opinion. And they point out that she has taken the lead in rallying support for tougher sanctions against Iran. (Mark Landler and Helene Cooper, “After a Bitter Campaign, Forging an Alliance,” New York Times, March 19, 2010, p. A-1)

The U.S. Treasury Department advised American financial institutions to take enhanced precautions against North Korea and several other countries trying to launder money and engage in other illicit financial transactions. The Financial Crimes Enforcement Network (FinCEN) said: “U.S. financial institutions should apply enhanced due diligence … when maintaining correspondent accounts for foreign banks operating under a banking license issued by Angola, DPRK, Ecuador, and Ethiopia.” (Yonhap, “U.S. Advises Enhanced Precaution against Money Laundering by N. Korean Banks,” North Korea Newsletter, No. 99 (March 25, 2010)

3/19/10 South Korea said it will allow the operators of now-suspended tours to North Korea decide whether to comply with Pyongyang’s order that they convene in the communist nation next week for an asset inspection or else have their resort properties seized. But Unification Ministry spokesperson Chun Hae-sung said that the threat, made a day earlier, will not intimidate his government into resuming cross-border tours to Mount Kumgang, renewing a demand for improved safety measures for South Korean tourists. “Such a threat violates not only inter-Korean agreements and deals between South and North Korean business partners, but also international customs,” Chun said in a briefing. Chun declined to comment how the South would respond if the North carried out its threat, only saying the government will allow its nationals to cross the border if they decide to attend the meeting. “We will respect the decisions of the companies on this issue,” he said. Dozens of South Korean firms possess 360 billion won (US$31 million) worth of land and buildings in the tourist zone, including Hyundai Asan Corp’s two hotels, Emerson Pacific Group’s golf course, and other facilities, according to government data. The Seoul government also poured more than 60
billion won into the construction of a family reunion center there, but said it will not attend next week’s meeting because the North’s message technically rules it out as a partner subject to confiscation. The North’s Asia-Pacific Peace Committee, a state agency overseeing inter-Korean exchanges, also said in a faxed message to Hyundai Asan that it will seek a “new business partner” if the South rejects its offer to resume the tours by April. The North’s General Scenic Spots Development Guidance Bureau, the office in charge of the tour program in the country, also condemned the Seoul government for suspending tours, placing blame on the deceased tourist for her “carelessness” and saying the South Korean authorities “failed to properly take care and control the tourists,” a report from KCNA said. The bureau also said that Seoul’s refusal to resume the tours is equivalent to the South rejecting inter-Korean relations and the spirit of reconciliation and unity, according to KCNA. Hyundai Asan officials said they have not decided on whether to comply with the North’s order. The company issued a statement saying it hopes the situation will not deteriorate further. “Even though the situation is difficult, we hope both sides (South Korea and North Korea) will resolve the issue through consultations,” the statement said. (Sam Kim, “S. Korean Investors Allowed to Visit North amid Asset Freeze Threat,” Yonhap, March 19, 2010)

3/21/10

A 2004 explosion at a railway station in North Korea was an attempt to assassinate leader Kim Jong Il, China’s state-run Xinhua News Agency quoted an analysis as saying. “The train explosion at Ryongchon Station in North Pyongan Province on April 22 that year killed nearly 200 people, injured more than 1,500, and destroyed more than 8,000 homes. The explosion is believed to have been an attempt to assassinate Kim,” Xinhua said. (Dong-A Ilbo, “2004 Explosion Was Attempt on Kim Jong-il’s Life,” March 22, 2010)

3/22/10

Having insisted on one-on-one talks with the United States, North Korea was not responding to China’s proposal to hold a preliminary six-nation meeting before resuming the actual multilateral nuclear talks, a senior Seoul official said. “As chair of the six-nation talks, China is trying to bring the six parties together by all means and we are not against a six-nation meeting of any form or title,” the South Korean official said. Citing multiple U.S. government officials, Yomiuri Shimbun said Washington accepted Beijing’s proposal to hold a preliminary meeting before resuming the six-nation talks: “Washington plans to hold substantial discussions on the North’s denuclearization at the preliminary talks and to flexibly deal with the North’s demand for one-on-one talks within the framework of the preliminary multilateral meeting.” (Kim So-hyun, “N.K. Still Mum on Preliminary Talks,” Korea Herald, March 23, 2010)

North Korea was continuing to develop intercontinental ballistic missiles which could threaten the United States someday. “In 1998, North Korea tested its first long-range missile, leaving open the possibility that the U.S. homeland could someday be targeted by a rogue state,” Deputy Secretary of Defense William Lynn told a forum in Washington. “North Korea continues to develop its ICBM-class Taepo Dong II. And Iran is at work on a space launch vehicle that could provide the basis for a long-range ICBM. Both could someday threaten the United States itself.” His remarks are in line with the Ballistic Missile Defense Review 2010, a report released by the Pentagon last month to assess the U.S. government’s missile defense policy in the coming years. Despite North Korea’s failure so far to orbit a satellite, the report said, “If there are no
major changes in its national security strategy in the next decade, it will be able to
mate a nuclear warhead to a proven delivery system.” The review also said that North
Korea “successfully tested many technologies associated with an ICBM despite the
most recent launch’s failure in its stated mission of orbiting a small communications
satellite.” (Kim So-hyun, “’N.K. Continues ICBM Development,’” Korea Herald, March
24, 2010)

KCNA: “The organ concerned of the DPRK decided to indict for trial Aijalon Mahli
Gomes, male U.S. citizen, born on June 19, 1979 and residing in Boston, Massachusetts State, who illegally entered the country as his crime has been
confirmed.” (KCNA, “U.S. Citizen to Be indicted for Trial,” March 22, 2010)Gomes is a
Christian who taught English at a South Korean primary school, former colleagues said.
He was arrested in January. “Mr. Gomes was a quiet man and was very diligent in
church activities,” said Kang Hyang-seon, a teacher who worked with him at Sinbong
Elementary School in Pocheon, a town north of Seoul near the border with North
Korea. Gomes flew into South Korea in the spring of 2008 for a one-year teaching job
with Sinbong, where he taught 20 hours a week helping third graders to sixth graders
learn English. His contract with Sinbong expired on March 31 last year, and he did not
renew it, the school said. Gomes told his colleagues that he wanted to move to a town
closer to Seoul so it would be easier for him to attend a foreigners’ church in the
industrial district of Kuro. They remembered his talking about doing volunteer
community work with other Christians. No one at Sinbong knew what had happened to
Gomes after he left the school a year ago. (Choe Sang-hun, “U.S. detainee in N. Korea
arrest, Gomes attended at least two rallies in Seoul calling for Park’s release, a Seoul-
based activist said. “I saw him weeping,” Jo Sung-rae of Pax Koreana said. Jo said
Gomes, who contacted him in November about working with his rights group, met
Park in Seoul last summer. “I felt he may have gone to North Korea after being inspired
by Robert Park,” Jo said. Thaleia Schlesinger, a spokeswoman for Gomes’ family in
Boston, said she had no comment on any connection between Gomes and Park. “I
have no information on that,” she said. “Anything on that would come from the State
Department. The family is praying for him and for his speedy return home.” (Hyung-jin
Kim, “U.S. Man Held in N. Korea Rallied against Pyongyang,” Associated Press, March
24, 2010)

The U.S. and South Korea must prove to North Korea that they do not harbor any
hostile intent if they want to avoid a “catastrophic war” with the nuclear-armed regime,
former U.S. President Jimmy Carter said. He said the communist regime is unlikely to
back down from the standoff over its nuclear weapons program without “a firm
statement of ‘no hostile intent’ in the form of a treaty.” “No one can predict the final
answers from Pyongyang, but there is no harm in making a major effort, including
unrestrained direct talks,” he said. “The initiative must be from America and South
Korea.” Carter, a trained nuclear physicist, called sanctions counterproductive. He said
the international community should give the impoverished nation humanitarian aid. He
also doubted that a change in leadership would bring any major shift in North Korean
policy. Kim Jong-il, now 68, is believed to be paving the way to name his third son as
A career-long government specialist on inter-Korean relations, Um Jong-sik, took office as vice unification minister, touting his government’s policy of tying large-scale aid to North Korea to progress in Pyongyang’s denuclearization. “For the past two years, we have established new principles and directions for inter-Korean relations,” Um said in his inaugural speech at the ministry in Seoul. “We should consistently pursue changes in North Korea and progress in inter-Korean relations that is based on principles.” Um, 52, has served at the ministry and in North Korea-related posts at other government branches, including the presidential office, since he joined the government in 1986. (Sam Kim, “New S. Korean Vice Minister Pledges to Maintain Hard-Line Stance on N. Korea,” Bloomberg News, March 23, 2010)

Today’s report by the joint study group of Japanese and South Korean historians highlights the perception gaps in the two countries’ modern and contemporary history, in relation to the content of history textbooks used in the two nations. FM Okada Katsuya pointed out the difficulty of reconciling the views of the two countries, noting at a press conference Tuesday evening that “a variety of views are possible regarding history.” But he also mentioned the joint history study’s significance, saying, “If the areas in which there are common perceptions increase, mutual understanding and acknowledgment will become closer.” Meanwhile, the South Korean side has insisted from the beginning that common understanding of history is essential. On this point, a Japanese committee member expressed discontent about South Korea’s unchanged perception of history. “It’s basically an ‘anti-Japanese’ perception, unchanged from the era of Japan’s 1910-45 colonial rule of the Korean Peninsula,” he said. “Taking South Korean public opinion into account, the South Korean side aimed to publish textbooks to urge Japan to hew to the same perception of history as South Korea.” This is the two countries’ second joint history study by the committee comprising 17 scholars each from Japan and South Korea. In this second round, the study of history textbooks was held for the first time at the strong request of South Korea, but many of the subsequent discussions ended without progress. The Japanese side pointed out that vigilant eyes would note South Korea’s history curriculum has continually portrayed Japanese in an unfavorable light after World War II and argued that “there is no evidence that [the South Korean government] has succeeded in moving away from this basic template.” The South Korean side replied that its government has not directed the anti-Japanese educational content. Nonetheless, the South Korean group acknowledged that history education in South Korea conveys to children the historical image of “intruder Japan.” Concerning “comfort women,” the South Korean side wrote, “Many South Koreans remember the fact that many women who were sent to the front line [war zones] to provide sexual services for Japanese soldiers in the colonial Korean Peninsula in the 1930s were those from ‘teishintai’ labor corps.” Regarding the issue, the Japanese side rebutted that the word usage of “joshi (female) teishintai” was limited to referring to women working at munition factories. “[The South Korean side’s] argument has been based on the critical fault of confusing these two terms,” a Japanese scholar said. Concerning the territorial dispute over Takeshima, a group of rocky islets in the Sea of Japan, known as Dokdo in South
Korea, the Japanese side proposed that the issue be included in contemporary history instruction and be subjected to analysis on how it has been treated after the war and in negotiations between the two countries. However, the South Korean side refused this idea outright. A Japanese committee member speculated that the South Korean government does not even admit the existence of the current situation in which the islets’ ownership is disputed by Japan. There are a few cases in which both countries share the same views. One example is the existence of the ancient Mimana Nihon-fu government. In the arguments about whether wajin—the Japanese who came to the Korean Peninsula from Japan—actually ruled the peninsula, the Japanese side wrote, “It’s impossible to believe that there was a Japanese territory [in the peninsula at the time].” Many in the South Korean media took this to mean Japan had revised its conventional assertion. Chosun Ilbo, a major South Korean newspaper, said of the report, “Historians from South Korean and Japan have agreed that a theory long asserted in Japan about its occupation of ancient Korean kingdoms is false.” (Ishikawa Yukiko and Takekoshi Masahiko, “History Gap Hard to Bridge; Japan-ROK Experts Group Remains at Odds over Fundamental Issues,” Yomiuri Shimbun, March 25, 2010)

3/24/10

East Asian countries are to launch a $120 billion multilateral currency swap program today aimed at fending off global financial volatility and promoting regional cooperation. The Chiang Mai Initiative Multilateralization plan involves Korea, China and Japan, and the 10-member Association of Southeast Asian Nations. It was signed on December 24. Under the new CMIM, each country can swap its local currency with U.S. dollars equal to a certain multiple of its contribution. China and Japan each pledged $38.4 billion and Korea $19.2 billion, together accounting for 80 percent of the total reserves. While the three Northeast Asian nations are entitled to $19.2 billion each, the five major ASEAN nations can swap 2.5 times their contributions and the five smaller nations, five times as much. For example, Thailand pledged $4.77 billion but may swap 2.5 times that amount and Vietnam pledged $1 billion but may swap five times that amount. Seoul officials and analysts reckon the launch of the CMIM is likely to serve as a catalyst to the discussion of establishing a global financial safety net, which will be a major item on the agenda at the upcoming G20 summit to be held in Seoul in November. “The CMIM is a contractual agreement between member central banks and, unlike the International Monetary Fund, it is not an actual pool of funds. Hence, if the Plus Three countries were themselves in need of dollar liquidity, the CMIM would not be useful,” Moody’s said. (Kim Yoon-mi, “Multilateral Currency Swap Plan to Buffer Asia Volatility,” Korea Herald, March 24, 2010)
program resumes by April 1. Choi Yo-sik, an official representing interests of South Korean companies at the resort, said Lee Kyong-jin, an official from the North’s Myongseungji General Development Guidance Bureau, informed the companies of the threatened actions. (Yoo Jee-ho, “North Threatens ‘Extreme’ Actions If Tours Stay Shut,” JoongAng Ilbo, March 26, 2010)

There is mounting evidence that Kim Jong Il is losing the propaganda war inside North Korea, with more than half the population now listening to foreign news, grass-roots cynicism undercutting state myths and discontent rising even among elites. A survey of refugees has found that “everyday forms of resistance” in the North are taking root as large swaths of the population believe that pervasive corruption, rising inequity and chronic food shortages are the fault of the government -- and not of the United States, South Korea or other foreign forces. The report will be released this week by the East-West Center, a research group established by Congress. It comes amid unconfirmed accounts from inside North Korea of a rising number of starvation deaths caused by a bad harvest and bungled currency reform that disrupted food markets, caused runaway inflation and triggered widespread citizen unrest. The number of starvation deaths in South Pyongan province, in the center of the country, is in the thousands since January, according to Good Friends, a Seoul relief group with informants inside North Korea. It said bodies of malnourished elderly people were being found in the streets of Pyongyang, and it quoted unnamed party officials as saying that starvation has risen in some areas this winter to levels unseen since the 1990s, when famine killed as many as 1 million North Koreans. “Once a government has so badly damaged trust, it may be very difficult, if not impossible, to restore its credibility,” said Marcus Noland, co-author of "Political Attitudes under Repression,” the new report. The results are based on a November 2008 survey of 300 North Korean refugees living in South Korea. The refugees in the survey -- parts of which were first publicized last fall -- include new arrivals as well as those who fled during the height of the 1990s famine. “Evaluations of the regime appear to be getting more negative over time,” the report said. “Although those who departed earlier were more willing to entertain the view that the country’s problems were due to foreigners, respondents who left later were more likely to hold the government accountable.” Noland and his co-author, Stephan Haggard, an Asian specialist at the University of California in San Diego, concede that the survey -- with its reliance on a self-selected group that made the perilous choice to flee North Korea -- might over-represent those who abhor the leadership in Pyongyang. But they note that most refugees fled the North for economic reasons and that their demographic background roughly mirrors North Korean society. The survey found that cynicism about the government -- and willingness to crack jokes about its failures -- was higher among refugees who come from elite backgrounds in the government or military. It also found that distaste for the government was strongest among those deeply involved in the markets. The most striking finding of the survey was the reach of those markets across all strata of North Korean society, with nearly 70 percent of respondents saying that half or more of their income came from private business dealings. In addition, more than half of refugees who have fled North Korea since 2006 said they listened or watched foreign news reports regularly. North Korea outlaws radios and TVs that can be tuned to foreign stations, but consumer electronics have flooded into the country from China. “Not only is foreign media becoming more
widely available, inhibitions on its consumption are declining as well,” the report said, referring to broadcasts from South Korea, China and the United States. “The availability of alternative sources of information undermines the heroic image of a workers’ paradise and threatens to unleash the information cascade that can be so destabilizing to authoritarian rule.” Although Kim’s government appears to be losing the hearts and minds of North Koreans, there is little or no indication that organized opposition has emerged inside the country, said Noland, deputy director of the Peterson Institute for International Economics. But signals of internal stress are growing, according to another new report on conditions inside North Korea. The International Crisis Group, an independent group that advises many Western governments and U.N. agencies, said last week that pressure from the deteriorating food supply and “disastrous” currency reform “could have a number of unanticipated consequences for regional international security. A sudden split in the leadership, although unlikely, is not out of the question.” (Blaine Harden, “Resistance against N. Korean Regime Taking Root, Survey Suggests,” Washington Post, March 24, 2010, p. A-11) [Close reading of the Haggard-Noland study suggests support for a very different proposition: that Chinese style engagement works. Increasing reliance on the market led to negative and cynical perceptions of the reforms because of rising materialism, corruption and inequality for which the state is held responsible, and an increasingly permeable information barrier with more watching or listening to foreign media.]

“Over the past year, Kim has systematically introduced his third and youngest son, Kim Jong-un, as the heir apparent,” said Gen. Walter Sharp, commander of the USFK, in testimony before a House Appropriations Committee hearing. Sharp said that despite public discontent over the disastrous currency revaluation, loyalty to Kim Jong-il among the North’s ruling elite “appears unwavering,” given that their “privileged position apparently rests upon the continuance of the status quo.” But he did not rule out a possible collapse of the regime, saying, “We would also be mindful of the potential for instability in North Korea.” “Combined with the country’s disastrous centralized economy, dilapidated industrial sector, insufficient agricultural base, malnourished military and populace, and developing nuclear programs, the possibility of a sudden leadership change in the North could be destabilizing and unpredictable.” (Kim Young-jin, “North Korean Leader Establishing Son as Heir Apparent,” Korea Times, March 25, 2010)

North Korean leader Kim Jong-il suffers from diabetes and high blood pressure and receives kidney dialysis once every two weeks, the head of a think tank affiliated with the National Intelligence Service claimed. Nam Sung-wook of the Institute for National Security made the claim in a lecture on the future of inter-Korean relations organized by the Young Korean Academy. “The reason why Kim’s fingernails are white seems to be chronic kidney failure,” he said. Medical experts agree with the assessment. If the kidneys fail, the body becomes unable to discharge toxic substances. The condition affects melanin cells in the skin and causes it to turn dark. Experts say the unusually dark color of Kim’s hands in recent photographs is probably a symptom. Meanwhile the fingernails, which do not contain melanin cells, are not affected by color changes and end up looking whiter. For several years, experts have been saying symptoms of edema apparent in Kim’s body are due to chronic kidney failure. The North Korean
leader is believed to have suffered from diabetes, the main cause of chronic kidney failure, for some time. “Kim, who is about 165 cm tall, weighed 86 kg before his stroke around August 15, 2008 and was widely expected to develop problems with his circulation,” Nam said. “He went on a three-month diet after recovering in January of 2009 to prevent another stroke and now weighs between 70 kg to 73 kg.” Kim was born in 1942 and his age makes complete recovery difficult, Nam added. “Footage of him applauding during a March 7 rally in Hamheung shows him using his right hand to hit an immobile left hand,” he recalled. Speaking about the transfer of power from Kim Jong-il to his third son Jong-un, Nam said, “The power transfer process gathered momentum after Kim’s stroke, but it appears that efforts have slowed down a bit since June.” (Chosun Ilbo, “Kim Jong-il ‘Getting Dialysis for Kidney Failure,” March 25, 2010)

The U.N. Human Rights Council slammed widespread abuses in North Korea, among them torture and labor camps for political prisoners, and renewed the mandate of its investigator for the state for a year. Adopting a resolution submitted by the European Union, the Council also called on Pyongyang to ensure that food aid is distributed on the basis of need to its hungry population. South Korea, Japan and the United States were among 28 states voting in favor, while North Korea’s major ally China and Russia were among five against. Thirteen abstained and one delegation was absent for the vote at the 47-member forum. The Council deplored “the grave, widespread and systematic human rights abuses in the Democratic People’s Republic of Korea, in particular the use of torture and labor camps against political prisoners and repatriated citizens of DPRK.” Choe Myong Nam, a North Korean diplomat in Geneva, rejected the resolution as “politically motivated” and “full of distortions and fabrications.” (Stephanie Nebehay, “U.N. Slams Rights Abuses in North Korea,” Reuters, March 25, 2010)

Six months after his party’s historic election victory, tumbling approval ratings and mounting troubles threaten to make Hatoyama Yukio end up as just another unpopular Japanese prime minister. But in at least one crucial area, political experts say his new government has surpassed its predecessors: challenging the nation’s powerful and entrenched bureaucracy. Hatoyama’s Democratic Party has proclaimed its top mission to be changing the way the country is governed by a process that is commonly called “escaping the bureaucracy.” The aim is to make Japan’s political system more responsive by ending more than a century of de facto rule by elite career bureaucrats at Tokyo’s central ministries, and empowering democratically elected politicians instead. It has already made considerable progress, say political experts, who caution that the battle is far from won. The Hatoyama administration has put teams of lawmakers in charge of daily operations at the ministries, which long ran Japan with backroom decision-making. It has centralized the appointment and promotion of top officials in the prime minister’s office, and forced out recalcitrant top officials. “The bureaucrats created a very centralized system that has become out of date, and unable to react to the world’s changes,” Haraguchi Kazuhiro, the minister of internal affairs, said in an interview. “We need a system that serves the people, not the bureaucracy and entrenched interest groups.” One of the Hatoyama administration’s first targets was the bureaucracy’s long tradition of writing laws and making policy decisions, which were then rubber-stamped by Liberal Democratic lawmakers. One target is the
Cabinet Legislation Bureau, a little-known agency that is empowered to interpret the Constitution, including Japan’s often convoluted reading of the article prohibiting it from having a military. In January, the bureau’s director general, a career bureaucrat, resigned after Hatoyama announced that the minister in charge of administrative reform, Edano Yukio, a lawmaker, would be replacing the director general as the bureau’s chief spokesman. “Before, politicians just left everything to the bureaucrats,” said Sakata Masahiro, a former director general at the bureau who retired in 2006. “Now, the Democrats are treating bureaucrats like an unnecessary hindrance.” The director general who just resigned refused interview requests. In another assault on bureaucratic prerogative, the government submitted a bill last month that would create an agency in the prime minister’s office to decide all job appointments involving top officials, which had been decided within each ministry. The bill would also greatly reduce the responsibilities of the administrative vice ministers, the top bureaucratic job in each ministry that had long been the actual center of ministry control. “The bureaucracy’s autonomy on personnel issues had been the source of their independence and ability to hold on to power,” said Sengoku Yoshito, the minister of civil service reform and the government’s point man for changing the bureaucracy. There has also been resistance. According to some political experts, the most damaging counterattack has been the unending string of inquiries into the political parties’ finances by public prosecutors, who are a part of the Justice Ministry. Bureaucrats have also struck back with damaging leaks to the major news media, which have close ties with the bureaucracy through the “press clubs” of reporters permanently stationed in each ministry. Haraguchi, the internal affairs minister, described how a flurry of negative stories suddenly appeared in major newspapers after he reassigned top bureaucrats in his ministry to different jobs – something no minister, usually an elected politician, had ever done before. He said that he found the source of the leak, who would be passed over for future promotions. “The leak was a way of striking back,” Haraguchi said. “What we are doing here is without precedent, and so many officials are uneasy.”


A South Korean Navy ship, the Cheonan, with 104 crew members on board was sinking off the Seoul-controlled island of Baengnyeong in the Yellow Sea, near North Korea, Navy officials said. The 1,500-ton ship sank between 9:00 p.m. and 10:00 p.m. near the island, but the cause of the accident was unknown, the officials said. A rescue operation was underway, they added. (Yonhap, “S. Korean Navy Ship Sinking in Yellow Sea,” March 26, 2010) Rescuers pulled 58 crew members, including the captain, from the ship before it sank, but more than 40 others are missing. The Seoul government did not blame North Korea for the incident, which occurred in an area of the Yellow Sea where three North-South naval skirmishes have occurred in the past decade. A spokeswoman for President Lee Myung-bak said the government is withholding judgment about the cause of the explosion, pending further investigation. “Finding the truth [behind the incident] is important, but saving our soldiers is more important,” Lee said, according to Yonhap. (Blaine Harden and June Lee, “Explosion Sinks South Korean Naval Ship near Disputed Sea Border with North,” Washington Post, March 27, 2010, p. A-7) President Lee Myung-bak became the first South Korean head of state to visit the disputed western waters off the Korean Peninsula, urging rescuers on March
30 to continue searching for 46 sailors still believed to be trapped in a naval vessel that sank after a mysterious explosion four days earlier. The sinking has focused the South’s fears on North Korea. Shortly after Lee left the scene, the military announced that a 53-year-old navy diver engaged in the operation had fallen unconscious and died. They have struggled with rapid currents and poor underwater visibility in the effort to reach a chunk of the ship that lies mired in mud 132 feet down. The divers reached that section on March 29, but heard no response after rapping it with hammers. The air supply even in sealed watertight cabins would have run out by Monday night, military experts said. The political pressure remained high on the government and the military, which have been unable to offer a convincing explanation for the explosion that broke up the 1,200-ton corvette, the Cheonan. The mystery may not be solved for days. A crane was slowly being taken to the site to recover the ship. South Korean officials, while careful not to point directly at North Korea, have allowed speculation regarding its culpability to rage. “The government or our Defense Ministry has never said it ruled out the possibility of North Korean involvement,” Defense Minister Kim Tae-young of South Korea said March 29 during a grilling in parliament. Asked about mines there, Mr. Kim said that it was “possible” that the Cheonan was hit by one of thousands of mines North Korea deployed near its coasts during the Korean War, from 1950 to 1953. He also kept open the possibility that a North Korean submarine might have launched a torpedo, an initial focus of suspicion. North Korea has used difficult-to-detect submersibles to carry spies into the South. Other theories mentioned at Parliament and in domestic media included an on-board saboteur and something exploding inside the warship, which reportedly carried torpedoes, depth charges, missiles and other weaponry. (Choe Sang-hun, “Sinking of Ship Feeds South Koreans’ Fears of the North,” New York Times, March 30, 2010, p. A-12) After initially ruling out the possibility of North Korean involvement in the sinking of the Patrol Combat Corvette (PCC) Cheonan, the government has been subtly shifting its stance and leaking theories implicating North Korea. In particular, this trend has emerged mainly from the military, the party most directly involved with this incident, leaving some critics charging that they are trying to evade responsibility without providing accurate information to the public. (Hankyore, “Government Shifts Tenor on N. Korea-Cheonan Connection,” April 1, 2010) Amid persistent speculations over North Korea’s possible role in the sinking of a naval patrol ship, the Defense Ministry yesterday reiterated that there were no unusual North Korean activities detected at the time of the disaster last week. “With regard to this case, no particular activities by North Korean submarines or semi-submarines (moving southward before the sinking) have been verified. I am saying again that there were no activities that could be directly linked to [the sinking of the ship],” Defense Ministry spokesman Won Tae-jae said during a press briefing. His remarks came after a news report that the 1,200-ton Cheonan carrying 104 crewmembers was deployed to the scene near the western inter-Korean maritime border in response to several semi-submarines moving toward the south. (Song Sang-ho, “Military Plays down N.K. Foul Play,” Korea Herald, April 2, 2010) Defense Minister Kim Tae-young said at a National Assembly session April 2, “Both torpedoes and mines are possible causes of the sinking. But I believe that there is a higher chance that torpedoes were the cause.” The minister, however, said the sonar operator of the ill-fated Cheonan did not detect any signs of torpedoes approaching at the time of the disaster that took place near the western sea border on March 26. Kim downplayed the possibility of Pyongyang’s involvement in the sinking, though he admitted that two
North Korean submarines were spotted near the site from March 24 to 27. (Jang Sung-ki and Lee Tae-hoon, “Torpedo More Probable Cause Than Mine,” Korea Times, April 2, 2010) “We closely watched the movement of the North’s vessels, including submarines and semi-submersibles, at the time of the sinking,” said Commodore Lee Gi-sik, chief of information operations under the Joint Chiefs of Staff in Seoul, during a media briefing. “But [the South’s] military did not detect any North Korean submarines near the countries’ western sea border.” The ministry did not comment directly on semi-submersible activity in the area at the time. (Lee Min-yong, “No Subs Near Cheonan: Ministry,” JoongAng Ilbo, April 2, 2010) A joint military-civilian investigation team tentatively concluded on April 16 that the Cheonan was split in half by a water shock wave, or “bubble jet,” resulting from an external explosion. While military authorities had been eying the possibility of an external explosion since early after the incident, observing are noting the emphasis now has been on a bubble jet resulting from an underwater explosion, rather than a direct strike to the hull from an external explosive. A bubble jet is a powerful shock wave and high-pressure gas bubble that arises when a torpedo or mine explodes underwater underneath a vessel. It generally appears when an explosive detonates beneath the vessel and repeatedly expands and contracts, causing the vessel to rise and fall. The hull of the vessel splits in two as a result of this shock. In the Cheonan’s case, the team believes that a torpedo or mine detonated underwater beneath the left side of the hull. In a briefing with journalists Friday, Co-chairman of the joint military-civilian investigation team into the sinking of the Cheonan Yoon Duk-yong said, “It appears that it exploded underwater beneath the left-side draft line.” Yoon added, “The explosive force went in the left side and out the right, so the right side is open.” In other words, the explanation is that a powerful water shock wave that appeared from an underwater explosion pushed in through the hull’s bottom plating and rose upward before bursting outward to the right. It is also because of this direction of the force that the right side of the Cheonan’s stern deck appears to be bent outwardly more than the left side. Yoon said that for this reason, “It appears that the explosion occurred on the right side.” This form of external explosion can be caused by a torpedo or a mine. However, among types of torpedoes, direct hit or straight running torpedoes that explode after direct contact with the hull must be excluded as a possibility, as they do not generate bubble jets. In the case of a direct hit torpedo, a hole would be found in the impacted part of the hull, but no such hole was found on the Cheonan’s stern. Yoon said, “It appears to be a bubble jet, not a torpedo going through the hull and into the boat.” However, Yoon added that it is still too early to conclude whether a mine or torpedo was responsible. On this question, military officials believe it is more likely to be a bubble jet-type torpedo than a mine. This is because one of the characteristics of a torpedo is that it can find its target more precisely than a mine. Also, while mines mostly explode below the bottom of the vessel, the fact that the explosion occurred on the lower left side below the draft line rather than underneath lends strength to the possibility of a torpedo. (Hankyore, “Cheonan Sinking Likely Caused by Bubble Jet from Explosion,” April 17, 2010) Military intelligence early this year alerted the Navy to the threat of “human torpedo” attacks from North Korea, which was pledging revenge for its defeat in a sea skirmish in November last year. “Human torpedoes” are underwater suicide squads who operate torpedoes equipped with a mini motor or engine to sneak up to a target and blow it up. “Military authorities detected several signs showing that the North was
preparing for revenge for its defeat in the sea skirmish in November last year,” a
government official said. “The North intensively trained military units for various means
of attack, in particular human torpedoes.” The North is reportedly operating a brigade
of suicide attack squads each in its East Sea and West Sea fleets. But it is still unclear
whether the Navy corvette Cheonan was sunk by a North Korean human torpedo on
March 26. Navy ships charged with defending the maritime frontline in the West Sea
were ordered to keep at speeds faster than 12 knots to guard against any retaliatory
attack from the North, but the Cheonan was traveling at only six knots before it sank,
the official added. “Despite the possibility of retaliatory attacks, the Joint Chiefs of Staff
had deployed Navy ships on duty at the West Sea frontline including Baeknyeong,
Yeonpyeong and Socheong islands, closer to the frontline than in the past.” (Chosun

KPA General Staff spokesman: “According to the south Korean newspaper Dong-A
Ilbo dated March 19, presided over by the command of the U.S. imperialist aggressor
forces in the Pacific, those concerned of the ‘Institute for National Defense Studies,’ the
‘Institute for Maritime Strategy Studies’ of south Korea and the ‘Institute for State Policy
Studies’ of neighboring countries would be closeted together in the middle of April to
examine the possibility of what they called ‘contingency’ in the DPRK and discuss a
‘proposal for cooperation,’ etc. to cope with it. It was reported that they would further
their confab in Seoul in June and in Hawaii in July. The disclosed fact clearly indicates
that the scenario to bring down the system in the DPRK already worked out by them is
entering a reckless phase of implementation. As far as the socialist system in the DPRK
is concerned, it constitutes the unshakable faith of the Korean people and it is like an
impregnable fortress firmly guarded by the invincible army of Songun. For them to
wait for what they call ‘contingency’ to happen is a pipe dream of a lunatic wishing for
the sky to fall. Such ‘contingency’ will take place in south Korea where all sorts of social
evils and ills and internal contradictions and conflicts have reached their height, not in
the DPRK where people are bringing about epochal miracles and leap forward
everyday with the day of the emergence of a thriving nation drawing near. It is the
height of folly for the present south Korean puppet authorities to dare talk about
‘bringing down system’ of someone and ‘unifying the systems’ to please their master,
unaware of where they stand. The above-said fact once again clearly proves that the
U.S. imperialists and the south Korean puppet bellicose forces have not an iota of
intention to improve the relations with the DPRK but only seek to hatch plots to ‘bring
down its system’ and ignite a war. The People’s Army and people of the DPRK who
always follow with high vigilance the abnormal developments in areas around
the DPRK will bolster up its nuclear deterrent for self-defence capable of
frustrating any plot and provocation at a single strike and keep all the powerful
striking means fully ready to go into action at all times. The U.S. imperialists and
the south Korean puppet warmongers should bear in mind that they will not be able to
find a shelter to survive the unpredictable strikes of the KPA, should they persistently
work to bring down the system in the DPRK. Those who seek to bring down the
system in the DPRK, whether they play a main role or a passive role, will fall
victim to the unprecedented nuclear strikes of the invincible army and the just
war to be waged by all the infuriated service personnel and people.” (KCNA, “U.S.-
S. Korean Moves to Bring down System in DPRK Warned,” March 26, 2010)
South Korea called on North Korea immediately to identify four of its citizens the communist country said last month it was holding for illegally entering the nation. “A month has passed since the North said it was investigating them,” Unification Ministry spokesman Chun Hae-sung said in a briefing. “We strongly urge the North to tell us the facts regarding the current situation as quickly as possible.” (Sam Kim, “S. Korea Calls for Immediate Identification of Nationals Purportedly Held in N. Korea,” Yonhap, March 26, 2010)

KCNA: ‘There is now a deluge of ‘news’ about the internal situation in the DPRK from the US, Japan and South Korea. Various kinds of ‘reports’ are pouring in to give impression that ‘contingency’ is imminent in the DPRK and wild rumors about even the health of the supreme leader are afloat. There are ‘analysis and comment’ that shortage of food and economic difficulties are more serious than those in the 1990s due to the ‘failure of monetary reform.’ There is also misinformation that the DPRK continues missile and other arms smuggling, its nuclear capacity is being steadily bolstered up, there is concern about its possible proliferation of nuclear weapons and it is opening Rajin Port and sending workers to foreign countries en masse in a bid to earn foreign currency due to financial difficulties. The scenario for vituperation seems to know no bound. The campaign to mislead the public opinion by concentrically and malignantly tarnishing the image of the other party by such specialized methods and means of psychological warfare has been called a black propaganda campaign. This campaign naturally seeks an aim. Behind this despicable propaganda are forces displeased with any investment in the DPRK. It is aimed at holding in check investment in the DPRK in a bid to hamstring its efforts to improve the people’s standard of living by focusing efforts on economic construction. **After bolstering up its nuclear deterrent strong enough to check the outbreak of a war in the Korean Peninsula, the government of the DPRK has been concentrating its efforts on the economic construction and the improvement of people’s standard of living since last year. While expanding its external economic relations, the DPRK is making a switchover to actively introducing investment from other countries.** The world’s interest in making investment in the DPRK is growing exceptionally strong as it has powerful war deterrent as well as tremendous economic foundations and potentials and inexhaustible resources and as it is located in an economically and geographically favorable region. **The hostile forces seek to stem this trend. When the DPRK becomes rich economically, there will be no use of ‘economic lever’ to be applied against it.** They had already employed such coercive means as sanctions. But the “resolutions on sanctions” of the United Nations Security Council were not enough to hinder the overall routine economic activities of the DPRK because they are confined to the munitions field. That is why those forces are getting hell-bent on the unethical moves to suffocate not only the civilian industry but also the fields related to the people’s living by describing the system in the DPRK as ‘unstable one’ to check foreign investment in it. The objective of their black propaganda is not confined to this. At present the US administration finds itself in such difficult internal situation that it can hardly take any sincere approach toward the DPRK-proposed negotiations for the conclusion of a peace treaty and the denuclearization of the Korean Peninsula. With the midterm elections slated to take place in forthcoming November, the Obama administration is under the weight of fear that it might be censured for its weakness in...
external relations. It contends that its start of negotiations with the DPRK may create the "danger" of betraying its weakness. However, for the US to remain doing nothing would bring it the label of incompetence. Hence, the Obama administration advocated "strategic patience." In other words, it contends this attitude is not prompted by its incompetence and it does not make haste but waits for something as the DPRK government seems not to last long. The South Korean authorities have a similar daydream under the signboard of 'waiting is a strategy.' History proves that one's shameless swindling to get rid of one's poor position by slandering others is bound to seriously backfire. When the US, Japan and South Korean authorities came out with a 'waiting strategy,' vociferating about 'theory of collapse' in the 1990s, the DPRK responded to it with the victorious conclusion of the 'Arduous March' and the successful launch of satellite Kwangmyongsong-1. And when the US again came out with 'a waiting strategy,' talking about 'an axis of evil' and 'preemptive nuclear attack' in the first decade of the new century the DPRK reacted to it with two successful nuclear tests and launch of satellite Kwangmyongsong-2. They would be well advised to remember that the DPRK has a firm foundation of the independent national economy which remains solid despite any storm from outside. The DPRK will witness the appearance of a light water reactor power plant relying on its own nuclear fuel in the near future in the 2010s in the wake of mass-production of juche iron and Juche-based vinalon cotton, its reply to them." (KCNA, “KCNA on Despicable Inside Story about Megaphone War,” March 29, 2010)

North Korea, one of the world’s most impenetrable nations, is facing a new threat: networks of its own citizens feeding information about life there to South Korea and its Western allies. The networks are the creation of a handful of North Korean defectors and South Korean human rights activists using cellphones to pierce North Korea’s near-total news blackout. To build the networks, recruiters slip into China to woo the few North Koreans allowed to travel there, provide cellphones to smuggle across the border, then post informers’ phoned and texted reports on Web sites.. Recruiters spend months identifying and coaxing potential informants, all the while evading agents from the North and the Chinese police bent on stopping their work. The North Koreans face even greater danger; exposure could lead to imprisonment – or death. The result has been a news free-for-all, a jumble of sometimes confirmed but often contradictory reports. Some have been important; the Web sites were the first to report the outrage among North Koreans over a drastic currency revaluation late last year. “In an information vacuum like North Korea, any additional tidbits – even in the swamp of rumors – is helpful,” said Nicholas Eberstadt, a scholar at the American Enterprise Institute. “You didn’t used to be able to get that kind of information,” he said of the reports on the currency crisis. “It was fascinating to see the pushback from the lower levels” of North Korean society. The first of their Web sites opened five years ago; there are now five. At least three of the sites receive some financing from the United States Congress through the National Endowment for Democracy. “I take pride in my work,” said Mun Seong-hwi, a defector turned Web journalist with the site Daily NK, who works with the informers and uses an alias to protect relatives he left behind. “I help the outside world see North Korea as it is.” Of the 8,400 agents South Korea sent over the border between the end of the Korean War in 1953 and 1994, just 2,200, or about 1 in 4, made it home. Some defected, according to former agents, but many
were killed. The cellphones work on China’s cellular networks, so they operate only within several miles of the Chinese border. Because North Koreans cannot travel freely in their country, the Web sites are forced to depend mostly on people who live near China. Beyond that, Ha Tae-keung, who runs one of the Web sites, says that some sources are prone to exaggerate, possibly in the hopes of earning the bonuses he offers for scoops. He and other Web site operators, meanwhile, are vulnerable to “information brokers” in the North who sell fake news. But Ha said that the quality of the information was improving as Web sites hired more defectors who left government jobs and remained in touch with former colleagues, often by cellphone. “These officials provide news because they feel uncertain about the future of their regime and want to have a link with the outside world,” he said, “or because of their friendship with the defectors working for us, or because of money.” The North Korean government can monitor cellphone calls, but tracing them is harder, so the police rove the countryside in jeeps equipped with tracking devices. The informants call him once a week; they never give their names, and they hide the phones far from their homes. Despite those precautions, they are sometimes caught. This month, Ha’s Web site reported that an arms factory worker was found with a cellphone and confessed to feeding information to South Korea. A source said the informant was publicly executed by firing squad.


A one-year extension of Japan’s sanctions on North Korea beyond the April 13 expiration was approved at a meeting of senior vice ministers this morning and will be formally adopted by the Cabinet soon, Deputy Chief Cabinet Secretary Yorihisa said. The sanctions include bans on port calls by North Korean vessels, on imports and exports with North Korea, and on North Korean officials’ entry into Japan. The government seeks to extend the sanctions for a year, instead of six months as studied, since Pyongyang has not fulfilled a promise made in 2008 to reinvestigate cases of its abductions of Japanese nationals, nor has it returned to the six-party talks to defuse tension over its nuclear development, according to government officials.

(Kyodo, “Japan Eyes 1-Year Extension of Sanctions on N. Korea,” March 31, 2010)

For better or for worse, Washington has grown used to the fact that Barack Obama runs the most centralized – or ‘White House-centric’ – administration since Richard Nixon. Obama has no big foreign policy strategist. Even insiders give different answers when asked to whom he turns for advice on the big international questions. But almost all agree with the following observation. “The truth is that President Obama is his own Henry Kissinger – no one else plays that role,” says a senior official. “Every administration reflects the personality of the president. This president wants all the trains routed through the Oval Office.” “On the positive side, we have a very conscientious president who takes advice widely,” says the official. “On the debit side, for all the president’s intelligence, Barack Obama came to office with very little experience. He just doesn’t have much depth on some issues.” The most widely questioned link in the chain is Jim Jones, whom, to many people’s surprise, Obama brought in as his national security adviser. Only briefly acquainted with Obama beforehand, General Jones, a retired four-star marine corps general, shows little interest in running the “inter-agency” process – a key part of the job. Somewhat
unconventionally, Gen Jones travels frequently and is thus often out of town. Unusually, it is Obama himself who usually chairs the weekly National Security Council, known as the “principals meeting”, not Gen. Jones. Rahm Emanuel, Obama’s chief of staff, is also a key part of it. “If you were to ask me who the real national security adviser is, I would say there were three or four, of whom Rahm is one and of which Gen. Jones is probably the least important,” says another official. Anyone who has dealt with Gen. Jones speaks highly of his matter-of-factness, his geniality and the respect many foreign governments have for him - Pakistan and Israel among them. But as he himself admitted rather disarmingly last year, he does not have a taste for bureaucracy. Speaking at the Atlantic Council, a think-tank where he previously worked, Gen Jones provoked laughter when he said: “I fondly remember [the Atlantic Council] as a place where people actually did what you asked them to do. In my new role I’m finding out that an order is a basis for negotiation.” The lack of a strong national security adviser has created recurring difficulties. Perhaps the best example is the Arab-Israeli peace process, which Obama launched on his second day in office when he appointed George Mitchell as his envoy. Three months later, Obama insisted Benjamin Netanyahu freeze all settlements activity in order to boost Arab confidence in the talks. In a heated showdown in the Oval Office last May, in which Netanyahu refused to accede to Obama’s demand, the only officials present were Emanuel and David Axelrod, senior adviser to Obama in office and during the campaign. Gen. Jones was not there. The fallout put the talks in abeyance and damped high Arab hopes for Obama. “The question is, which bright spark advised the president to demand a settlements freeze without working out what the next step should be when Netanyahu inevitably said ‘No’?” says Leslie Gelb, an official in the Carter administration and former head of the Council on Foreign Relations. “Why wasn’t George Mitchell in the room? Where was Jones?” Obama’s character is also stamped on the inter-agency process, set up and managed by Tom Donilon, deputy national security adviser. The nitty-gritty of foreign policy-making is done at these frequent “deputies’ meetings”, which can sometimes consume four to six hours a day. Described by one insider as “the most powerful man in the White House whose name isn’t widely known”, Donilon, who was an official in the Clinton administration, is the man who keeps Obama’s trains running on time. And there are a lot of trains. Last year, Donilon held 270 deputies meetings - a workload described as “clinically insane” by a former senior diplomat under Bill Clinton. But as time goes on, it is becoming streamlined - now taking up roughly two to three hours a day, say officials. “People forget that we inherited two wars, terrorism threats, and perhaps the biggest single eight-year decline [George W. Bush’s two terms] in America’s power and reputation in our history,” says a senior official. “It took time to put in place a process that could deal with the very complex decisions we had to take.” Also the organizer of Obama’s 9.30am national security briefing, Donilon reinstated the paper trails needed to prevent intra-governmental anarchy, using the model devised by Brent Scowcroft, national security adviser to George Bush senior and Gerald Ford. Vice-president Joe Biden’s team was also incorporated to prevent the kind of “parallel process” Dick Cheney used to circumvent the bureaucracy under George W. Bush. “If you look for the 2002 or 2003 meeting where the decision to go to war in Iraq was taken, you cannot find it,” says the senior official. “By getting the process right, we are improving the quality of decisions.” The deputies’ ties go back years. For example, the families of Donilon and Jim Steinberg,
deputy secretary of state, often go on holiday together. Donilon’s wife, Cathy Russell, is chief of staff to Jill Biden, the vice-president’s wife. Steinberg’s wife, Sherburne Abbott, is deputy to John Holdren, Obama’s chief scientific adviser. All those who regularly attend, including Michèle Flournoy, a senior Pentagon official, and Susan Rice, the US ambassador to the United Nations, have known each other since at least 1993, when they started off in the Clinton administration. This is just as well, since they spend half their lives together: “A lot of work gets done in that group,” says Flournoy. “Sometimes it feels like shovelling coal to keep the fires going.” The refurbished machinery was perhaps most in evidence during the build-up to Mr Obama’s decision in December to send another 30,000 US troops to Afghanistan – a journey that took four months and involved him in 40 hours of Oval Office meetings. But the very diligence of the process crowded out Obama’s time to focus on other crises – of which there are many. “Time is the most precious commodity a president has,” says a former national security adviser. “On average he is only going to have 45 minutes a day for foreign policy, so you want to make sure it is well spent.” The widely expected departure of Gen Jones before the end of the year has also created rivalries within the engine room. Those who are thought to have ambitions to replace him include Steinberg, Rice, Donilon and Denis McDonough, NSC chief of staff and the foreign policy official who is personally closest to Obama. Although all are widely respected, none is considered a big strategic thinker in the Kissinger or Scowcroft mould. Described by Mr Gelb as Obama’s “Lord High Executioner”, McDonough “has appended himself to the Chicago crowd”, says another official. McDonough’s widely feared role highlights some of the contradictions of Obama’s foreign policy apparatus. Once an adviser to former Senate majority leader, Tom Daschle, McDonough was frequently at Obama’s side during the campaign. Insiders describe him as the “enforcer” and as the keeper of “message discipline”, a key element of any campaign but something that can drastically slow the wheels of government. “McDonough is the guy from the campaign and the one who plays basketball with the president - they’re very close,” says an official. “Instead of Jim Jones telling McDonough what the president thinks, it is the other way round.” Indeed, if Obama’s highly centralized foreign policy machine had a face, it would be Mr McDonough’s. “Donilon has been perceived to make the process inclusive and give everyone a seat at the table,” says David Rothkopf, a former Clinton official and scholar on the NSC. “Fairly or not, McDonough has been perceived as representing a process that was taking place in another room, among the inner circle, at a table to which most weren’t invited.” Obama has built a machine in which all roads lead to and from him. On the minus side, that means a lot of lower-level meetings without decisions. It also means neglecting issues that cannot be squeezed into his diary, such as trade policy, which continues to drift; or relations with India, which are unnecessarily tense. On the plus side, Obama has a sharp learning curve, which means his administration continues to evolve. On the plus side also, if it has to be White House-centric, it is perhaps better with him as the Sun King than, say, Nixon or George W. Bush. “At the end of each meeting, the president summarizes what everyone has said and the arguments each has made with a real lawyer’s clarity,” says a participant to the NSC principals meeting, which includes Mr Gates and Mrs Clinton. “When the president finally makes a decision, it is with the full facts and usually shows a high caliber of judgment.” When Obama makes a decision, that is. (Edward Luce and Daniel Dombey, “Waiting on a Sun King,” Financial Times, March 31, 2010, p. 11)
Squeezed by food shortages and financial sanctions, North Korean leader Kim Jong-il appears to be reaching out to China and Chinese investors. Kim may soon travel to China, according to the office of South Korea’s president and U.S. officials. They cited preparations that appear to be underway in the Chinese border city of Dandong and in Beijing. The Chinese Foreign Ministry said Thursday it does not have information on whether Kim will visit China. The potential trip could help restart six-party talks, hosted by China, aimed at persuading North Korea to denuclearize in return for economic and political benefits. Kim is also attempting to accelerate Chinese investment in his destitute country. To that end, he has ordered the creation of a State Development Bank. Officials from the new bank told a South Korean professor last week that they intend to allow the construction of foreign-owned factories in major North Korean cities. This would allow Chinese firms, many of which are running short of low-cost factory workers, access to North Korea's pool of low-wage laborers. Kim, 68, and showing the effects of a 2008 stroke, is in the early stages of handing power over to his untested 27-year-old son, Kim Jong Eun. But the legitimacy of the succession -- and of the state itself -- is being weakened by the growth of the markets and increased public access to foreign media. Refugee surveys show that many North Koreans blame Kim's government for food shortages, corruption and incompetence. “Kim Jong Il doesn't have many cards to play, so there is more and more pressure on him to return to the six-party talks,” said Koh Yu-whan, a professor of North Korean studies at Dongguk University in Seoul. “He is also aiming to get investment from ethnic Korean businesses in China.” (Blaine Harden, “Facing Food Shortages and Sanctions, Kim Jong-il Appears to Reach out to China,” Washington Post, April 1, 2010)

In a 20-minute telephone conversation early today President Barack Obama offered to help South Korea find the exact cause of the sinking of the ROK Navy frigate Cheonan, Cheong Wa Dae said. The U.S. President reaffirmed his earlier pledge to provide an extended nuclear deterrence for South Korea to counter North Korea’s threats, said Cheong Wa Dae. The leaders also discussed the upcoming Nuclear Security Summit slated for April 12 in Washington. The U.S. has said it has no evidence showing North Korea’s involvement, but some local media, citing anonymous sources, raised the possibility of an attack on the Cheonan, which defense officials here claim was on a routine patrol mission. (Na Jeong-ju, “U.S. Offers to Help Find Cause of Ship Sinking,” Korea Times, April 1, 2010)

When South Koreans flocked to see The Host - the 2006 hit film, ostensibly about a killer monster terrorizing the banks of the river Han in Seoul - part of the appeal came from a more tangible fear. The story's real villain is the heavy-handed South Korean state itself, which bewilders and misleads frightened, grieving people. Families recovering from the monster's first rampage are herded up without explanation by authorities in biological-warfare suits. Throughout the drama, angry people get no help or answers from the state. The sinister state in the film is a pastiche and real South Korea has made huge strides since military dictatorship ended. However, its 22-year-old democracy still struggles to build trust between government and people. The past few days have been a perfect example. Last week's mysterious sinking of a South Korean warship, in which 46 sailors are feared dead, has left Seoul taken aback by the visceral rage of distraught families. While some parents questioned the seaworthiness
of the ship, the touch-paper was lit by the way the families felt they were treated. They have sobbed, screamed and fainted, lamenting a lack of communication from the government and complained that the armed forces treated them like a troublesome enemy. One can sympathize with the government. In cold, choppy waters with dismal visibility, both rescue work, suspended yesterday because of bad weather, and determining the cause of the sinking are extremely difficult. South Korea is also a world apart from Russia, which stood ready to sedate furious parents with hypodermic syringes after the Kursk submarine sank in 2000. However, the families have identified two areas where Seoul continually shoots itself in the foot: appalling communication and the instincts of military autocracy reappearing at just the wrong moments. South Korea still blocks access to North Korean websites and even Pyongyang’s histrionic state news agency, which makes more of a mockery of the regime than Seoul ever could. Ironically, democratic South Koreans cannot be trusted to make up their own minds about the autocratic North. It is telling that a current bestselling book was written by a whistle-blowing former chief lawyer from Samsung Electronics, who alleged corruption involving the world’s biggest technology company and state officials. South Koreans yearn to read these stories but the papers, whose advertising revenue is controlled by the chaebol, have refused to review or advertise the book. This tarnishes the government’s credibility. Lee Myung-bak, the conservative president and a former boss of chaebol Hyundai’s construction unit, last year pardoned Samsung’s chairman after he was convicted of serious financial crimes. Lesser mortals grumble that they would go to jail for less. This skepticism about the government and mainstream media has made the web the main forum for dissent and co-coordinating protests. The whistle-blower’s book on Samsung got most of its publicity through Twitter. The government’s reflex is to take the battle to the cybernauts, even arresting the country’s most celebrated financial blogger last year. The supreme challenge for Korean democracy is to steer the cathartic debate on corruption and corporate governance away from angry tweeters and into the mainstream. Until that happens, South Korea will remain an explosively polarized democracy. And the authorities will continue to be blindsided by tortuous conspiracy theories and spectacular outbursts of rage from the masses it refuses to trust. (Christian Oliver, “Sinking Underlines South Korean View of State As Monster,” Financial Times, April 1, 2010, p. 3)

UK Amb. James Hoare: “At a recent private meeting in London, a former senior United Nations’ official, drawing on experience relating to a wide range of countries, said that transforming a ‘failing’ or ‘fragile’ state was not something that could be done overnight. Those involved needed to think in terms of ten to twenty years rather than weeks or months. Regardless of whether or not one accepts the idea of the Democratic People’s Republic of Korea as a failed or even fragile state—and the term is often used in some quarters—the idea that one is in for the long haul in bringing about major modifications in behavior and attitude is certainly a good one to have in mind when dealing with the DRPK. It was such an approach that marked the Republic of Korea’s policy towards the North under former Presidents Kim Dae-jung and Roh Moo-hyun. Since the Lee Myung-bak government took office in the Republic of Korea in 2008, it is fashionable to dismiss the policies followed by his predecessors as an expensive failure. Sneers about ‘ATM diplomacy,’ innuendo about Kim Dae-jung’s motives, and references to his successor Roh Moo-hyun’s naivety, are the commonplace of South
Korean academic and press comment, and are heard much further afield. ‘Sunshine’ or engagement have become terms of mockery. The Lee government has adopted a more aggressive policy towards North Korea. It has not refused assistance outright, but has couched its offers in such a way that rejection is inevitable—the most recent example is the “grand bargain” proposed in 2009 in which the DPRK must first give up its nuclear program to receive security guarantees and aid. This is then played back as evidence that the North is incorrigible and not deserving of assistance. The Lee government’s approach is based on an incorrect assessment both of the Sunshine Policy and what went before it. ‘Sunshine’ or ‘engagement’ was not something that sprang from Kim Dae-jung’s fertile brain, though he certainly can be credited with refining and developing the idea. The policies pursued by Kim and Roh lay firmly within a tradition that goes back to President Park Chung Hee in the early 1970s and that was followed by all his successors to a greater or lesser degree. However, it was never easy to engage the North and it did not take much to divert earlier presidents from such a policy. Frustrated or annoyed, they eventually gave up the effort. The difference after 1998 was that South Korea stuck to ‘sunshine’ even when there were difficulties. Neither Kim nor Roh were starry-eyed and neither expected that the North would be changed overnight. Both responded to Pyongyang’s bad behavior with firmness. But they realized that circumstances had changed with the famine and other problems that hit North Korea in the 1990s. They also realized that for engagement to be successful, it was best to avoid rubbing in the fact that the country faced real problems. Even if the explanations offered for the problems often ignored the North Korean regime’s own part in bringing them about, there was nevertheless an acceptance that help was needed. The unprecedented appeal for outside assistance that brought in UN agencies and resident non-governmental organizations in the late 1990s showed that the South would help without preaching. No doubt the expense and complications of German reunification also gave pause for thought. If the two Germanys, which had not fought a savage war and were far richer, could not achieve a smooth reintegration, how could the two Koreas? So Kim and Roh did not break off engagement as a result of ‘bad’ behavior or outside criticism of “soft policies.” They accepted that it would take a long time to modify Pyongyang’s policies and that there were likely to be few expressions of thanks. Of course there was no instant transformation. But the new approach provided a window for other countries to establish relations with North Korea. In theory, it had long been the South’s policy to allow if not to encourage such relations, but the reality had been different. From 2000 onwards, that changed. Countries that had hitherto held back for fear of offending Seoul now found themselves encouraged to establish relations with Pyongyang. Those that did so found a North Korea that seemed eager for change, although very careful about how that eagerness was expressed. But there was a readiness to do things that would have seemed improbable only ten years before. While never quite admitting that the policies pursued under Kim Il Sung and Kim Jong Il might have had defects, those of us working in the North between 2000-2002 found a willingness on the part of officials to admit that they needed assistance and that mistakes had been made. Examples included a vice-mayor who admitted that post-Korean War town planning had many defects that were only then becoming obvious. Officials were willing to admit that the country was in need of a whole range of economic and commercial skills that had hitherto been neglected. Perhaps most telling of all, a country that had
responded to the changes in the former Soviet Union, Eastern Europe and China in the early 1990s by calling home all its overseas students now was most anxious to send students abroad once again. Engagement was thus helping to open North Korean eyes to possibilities beyond juche, but unfortunately, even before the 2002 nuclear crisis, there was relatively little follow-up on these expressions of intent. Pyongyang found difficulty in matching students to the requirements of foreign universities and other training institutions. Some countries that established diplomatic relations preferred to concentrate on human rights issues to the exclusion of other matters. Since several of these were members of the European Union (EU), their approach inevitably affected the EU’s broad approach to North Korea. Even among countries that did not give predominance to human rights, goodwill was rarely transformed into sufficient funding to make a real difference. That said, in the British case alone, we were able to fund several sessions of economics training, an English-language training program that put initially two—now four—British teachers into DPRK universities to train English teachers, and intensive English courses for a variety of North Korean officials. In addition, non-governmental bodies such as the BBC and Reuters conducted training programs for media staff in modern methods of news presentation and communication skills. Perhaps if the United States had been more supportive of its ally’s engagement policy these efforts would have made a difference. But as the relatively benign approach towards engagement of the Clinton years gave way to hostility under President George W. Bush after 2000 that too had an impact on how far countries such as Britain would support the sunshine policy. It was South Korea’s approach to engagement that had the greatest impact. Seoul’s aid and other measures taken under the umbrella of the “sunshine” approach brought North and South into contact across many fields. During the period from 1998-2008, the North became known to South Korean citizens in a totally unprecedented way. The process had begun earlier, especially during the Roh Tae-woo presidency (1988-93), but the trickle of information about the North of those years became a flood. And it was not only information but actual contact with North Korea. For some, this meant tightly controlled tours to the Diamond Mountains (Mount Kumgang) or towards the end of the period, to Kaesong at the western end of the Demilitarized Zone. Limited though these were, they were still a glimpse into what had hitherto been unknown and feared. There were also signs that, as the North got used to the idea of such visits, it might open up a little more; the decision to allow the use of visitors’ own cars in March 2008 was one such indication, but there were several others. Much more important were the wide range of government and non-governmental contacts. Relatively few North Koreans came South but the traffic in the other direction was enormous. On any given day, there were likely to be several thousand South Korean visitors in the North, dealing with aid, trade, cultural, educational and even religious exchanges—both the Protestant and the Roman Catholic churches in the North had regular South Korean officiating ministers as well as hymnbooks and prayer books produced in the ROK. South Korean journalists were also a not uncommon sight. Most of this activity may have been confined to Pyongyang, by not all of it was. South Koreans were visiting many parts of the country, especially in connection with agricultural assistance and other aid-related projects. Nobody was starry-eyed about these visits. South Korean visitors were watched and controlled. But they were able to learn a lot since they could speak and read Korean. If the projects agreed to at the October 2007 summit between
Kim Jong-il and Roh Moo-hyun had been implemented by the incoming Lee Myung-bak government, there would have been a huge increase in these types of contacts. No doubt engagement was expensive and sometimes the means used to bring it about were shady, but it was producing benefits. The South, and to some extent the rest of the world, now has a far better understanding of how North Korea works then it did before engagement began. Within the North, a large number of people have come to see their southern compatriots in a less hostile light and have some, even if limited, understanding of the economic and social structures of South Korea. Perhaps some of the assistance provided was diverted away from its original purpose, but enough rice and fertilizer bags reached areas far away from Pyongyang and enough people were willing to ask questions about the South to show that the impact of engagement extended beyond a small circle of ruling elite. Slowly, the policy was creating a group of people who could see benefits in remaining on good terms with South Korea and who had wider links with the outside world. Engagement has worked in other countries, most noticeably China, and I believe that it was beginning to work in North Korea. There was never going to be a speedy change in attitudes built up over sixty years, but stopping the process after ten was not a wise decision.” (James E. Hoare, “Why the Sunshine Policy Made Sense,” 38North, April 1, 2010)

Jeffrey Lewis: “Signs that Six Party Talks might resume have triggered another round of debate about the wisdom of engaging North Korea. These debates play out in the pages of newspapers, like the Washington Post, which published a pair of stories at the end of 2009 based on a letter written by A.Q. Khan, the father of Pakistan’s nuclear bomb and notorious nuclear smuggler. The articles contained some striking claims about Pakistan’s involvement with North Korea’s nuclear weapons programs: first, that North Korean officials showed Khan three disassembled nuclear weapons in 1999; and second, that North Korea, in 2002, was constructing a large uranium enrichment facility. A casual reader could be forgiven for concluding that the two stories—“A Nuclear Power’s Act of Proliferation” (November 13) and “Pakistani Scientist Depicts More Advanced Nuclear Program in North Korea” (December 28)—contained new revelations bearing on U.S. policy towards the North Korea…news, in other words. The Post lent its pages to a former White House official to say just that: “This paints a picture of even more collaboration than I assumed those countries had,” said Robert G. Joseph, a prominent critic of the 1994 agreement. Joseph served as the principal nonproliferation official at the White House under President George W. Bush from 2001 to 2005 and then as undersecretary of state for arms control. The fact is these claims were well known before Joseph left the White House. They were available to senior government officials like him, as well as to anyone who read the New York Times, where both stories were reported. It also turns out that neither claim is very plausible. It is important to understand the role that these tales have played in the ongoing debate over U.S. policy towards North Korea. According to one narrative, Pyongyang snuck into the nuclear club in the early 1990s. It then attempted to cheat on the Agreed Framework, which the Clinton Administration had accepted as a necessary evil to stop North Korea at a small number of nuclear weapons with the ultimate objective of eliminating its program altogether. The Bush Administration had no choice but to confront Pyongyang about its cheating before it was too late, even at the price of dismantling that agreement. Since it inherited a North Korea with a handful
of nuclear weapons and secret plans to add many more, the Bush Administration could hardly be blamed if the North’s arsenal grew under such circumstances. This bears directly, therefore, on the wisdom of decisions made during Joseph’s tenure at the White House, in which he was a major advocate of a much tougher line against North Korea. If Pyongyang had three nuclear weapons in 1999 and was on the verge of opening a large enrichment facility, then the 1994 Agreed Framework can largely be judged a failure and Joseph vindicated. If, however, North Korea had separated relatively little plutonium prior to 2003 and remained many years away from building an enrichment facility, then the Agreed Framework was a success in managing the risk from North Korea’s nuclear weapons program. If Pyongyang had been kept within the Agreed Framework, it would not have not have been able to engage in many of its later provocations, including nuclear tests conducted in 2006 and 2009. Worse yet, if North Korea possessed even less plutonium than the American intelligence community believed it had, then the Bush Administration alone bears responsibility for the train of events by which Pyongyang went from having no nuclear weapons in 2002 to enough plutonium for a stockpile of at least half a dozen weapons and two nuclear tests. Joseph doesn’t just have a dog in this fight; he is one of the dogs. But even more important, the expansion of North Korea’s nuclear capabilities suggests the Bush administration made a catastrophic blunder, a perfect matched pair with the 2003 invasion of Iraq. The first Washington Post story, which is largely about Chinese assistance to Pakistan, contains a claim by Khan that North Korean officials showed him three disassembled nuclear weapons during a visit in 1999. David Sanger first reported the sensational claim in the New York Times in the weeks after Khan’s arrest. Why does this matter? In 1999, the United States didn’t know if North Korea had any nuclear weapons. While the public debate centered on the claim that North Korea had enough plutonium for “one, possibly two nuclear weapons,” this estimate was not completely certain. The American intelligence community had compelling reasons for suspicions, but the evidence was always circumstantial. And it did not, at the time, express a view about whether North Korea had actually attempted to render the plutonium in the form of a working weapon. Let’s review for a moment. The first North Korean nuclear crisis started when Pyongyang claimed, in a May 1992 declaration to the International Atomic Energy Agency (IAEA), to have separated 62 grams of plutonium from about 90 grams produced in 86 broken fuel rods. The reprocessing came as a surprise to U.S. intelligence. Moreover, when the IAEA visited the Yongbyon nuclear complex, its inspectors found many discrepancies in the North Korean declaration, suggesting that Pyongyang had conducted multiple reprocessing campaigns over a longer period of time than it had declared. As a result, the intelligence community judged that North Korea had probably secretly unloaded the Yongbyon reactor in 1989 and, as a result, reprocessed enough plutonium for “one, possibly two” nuclear devices. Still, American intelligence was not certain—it merely placed the odds of North Korea having enough plutonium for a nuclear device at “better than even.” And the State Department’s Bureau of Intelligence and Research (INR) dissented from the estimate. The majority view could not—and did not—exclude the possibility that North Korea had less than the amount of plutonium needed to make a bomb. Indeed, the intelligence community quickly revised downward the estimate of plutonium produced from as much as 12 kilograms to 8.3-8.5 kilograms, only enough for one weapon. Yet, developing an approach that hedged against a range of possibilities made sense. That was the
rationale behind the 1994 Agreed Framework. Whatever the current status of North Korea’s nuclear capabilities, U.S. negotiators were confronted with intelligence estimates that by the end of the decade, North Korea might be able to produce hundreds of kilograms of plutonium once all its facilities were completed. While some would criticize the agreement as a “freeze, in fact President Clinton and his senior aides all agreed that,” it was more urgent to protect the present and the future than to unravel the past, by pinning down how much plutonium North Korea had indeed separated in its earlier reprocessing campaign.” The question of whether North Korea already had nuclear weapons would later play a central role in the decision in 2002 to confront North Korea over its clandestine enrichment efforts, even if that meant triggering the collapse of the Agreed Framework (which many senior officials in the Bush administration loathed). After all, if North Korea already had a stockpile of weapons, then a few more might not matter. Then-Secretary of State Colin Powell expressed this view on one of the Sunday morning talk shows, asking, “What are they going to do with another two or three nuclear weapons?” Whether or not North Korea had enough fissile material for zero, one, or two nuclear weapons in 1999 will probably remain one of those great mysteries. The documents that Pyongyang handed over to the United States in May 2008 during the Six Party nuclear negotiations indicated that it did not reprocess enough material for a bomb until 2003 after the Agreed Framework had collapsed.Khan’s claim that North Korea showed him three nuclear weapons is, like many of his statements, self-serving and probably an embellishment or fabrication, apparently meant to demonstrate that he had done no harm to Pakistan since it suggests North Korea was a nuclear power prior to Khan’s assistance. Although the New York Times did not retract the story—after all, Pakistani officials did apparently say Khan claimed to have seen three nuclear weapons—in July 2005, Sanger noted in passing that the claim was “doubted by several specialists in the American intelligence community.” Siegfried Hecker, the leading American expert on the North Korean nuclear program, told the Post that Khan was trying to evade blame for his actions by claiming that what he had supplied to North Korea “was not that bad because these guys already had nuclear weapons. That’s a nice way to cover his own tracks.” Some stories are, at first blush, too good to check. Reading Sanger’s original reporting suggests a certain credulity on his part about either Khan or his source in the administration. The story stated that the three North Korean nuclear weapons “roughly” accorded with the estimate of enough fissile material for “one, possibly two” nuclear weapons. In fact, it was “roughly” three times as much as the authoritative “worst case” estimate by the Joint Atomic Energy Intelligence Committee (JAEC). That committee estimated North Korea’s plutonium production before 2003 at 8.3-8.5 kg—enough for just one nuclear weapon, assuming some loss during processing and a conservative nuclear design. Even were North Korea to use a very aggressive design that utilized just four kg—as Pyongyang claimed in its Six Party Talks declaration—three nuclear weapons would require 14.4 kilograms of plutonium, sixty percent more than the worst-case scenario. There is no sense in which the claim of three assembled nuclear weapons accords with the intelligence estimate, roughly or otherwise. In the second story, the Post quotes Khan as claiming “North Korea may have been enriching uranium on a small scale by 2002, with ‘maybe 3,000 or even more’ centrifuges.” In other words, North Korea may have a small centrifuge facility perfectly capable of producing enough highly enriched uranium for one or two nuclear weapons each year.
This is an extraordinary claim, though there is less to it than one might think. While it is difficult to know what Khan actually said, Smith and Warrick quote him using qualifiers like ‘maybe’ and ‘quite likely.’ Why might he use such language? Is it possible Khan had little knowledge of the status of North Korea’s efforts by 2002? The Pakistani scientist played a central role in his country’s assistance to Pyongyang’s uranium enrichment efforts, even traveling to North Korea in 1994 and 1999. (Claims that Khan traveled to North Korea 13 times appear to be an exaggeration). In early 2001, however, although cooperation between the two countries continued, the new Musharraf government appears to have forcibly retired him under pressure from the United States. As a result, Khan seems to have been extrapolating North Korea’s progress based on Pakistan’s experience with its own HEU program, and on the assistance he had provided to North Korea through 2000. This is interesting information from a well-placed (if untrustworthy) source. But it is not dispositive. The United States intelligence community was also watching North Korea’s uranium enrichment efforts. Though it had had concluded in June 2002 that the program was largely limited to research and development, the U.S. assessment changed in July 2002, when it received intelligence that suggested North Korea had recently procured 150 tons of aluminum tubes from Russia. Whether this shipment alone resulted in a reappraisal of the scale of North Korea’s program, or whether reporting from a source in North Korea also played a role is unclear. In any event, the American intelligence community issued a September 2002 “memo to holders” of the June 2002 estimate that concluded North Korea had embarked on a production program for highly enriched uranium. The original estimates remain classified, but the CIA provided an untitled one-page document to Congress in November 2002. That document stated North Korea was “constructing a centrifuge facility” capable of producing enough fissile material for “two or more nuclear weapons per year” potentially “as soon as mid-decade.” This is consistent with Khan’s estimate of a facility containing 3,000 centrifuges. (Three thousand machines per unit appears to be the standard configuration for centrifuge modules based on the Pakistani program.) Adding to the confusion, the estimate referred to when the facility was ‘fully operational’—leaving some room for doubt as to whether North Korea had acquired all the necessary components. The allegation that North Korea was constructing a bricks-and-mortar enrichment facility was crucial in setting the collapse of the Agreed Framework in motion. It was on the basis of this information that the then-Assistant Secretary James Kelly confronted North Korean Vice Foreign Minister Kang Sok-ju during his visit to Pyongyang in fall 2002, resulting in what Kelly claimed was an acknowledgement of the uranium enrichment program. On these grounds, the Administration decided to stop providing heavy fuel oil to Pyongyang, a U.S. obligation under the Agreed Framework, triggering a North Korean response and the demise of that agreement. The Administration chose this course despite warnings from the intelligence community that ‘if the [Agreed] Framework collapses,’ North Korea could ‘recover enough plutonium for several more weapons. As in the case of Khan’s interrogations, the Bush administration sought to defend its decision to abandon the Agreed Framework by leaking all of this information to the New York Times, which duly reported the construction of a large North Korean uranium enrichment facility with Pakistani assistance. Eventually, however, doubts began to surface in the press about whether North Korea was constructing a “bricks-and-mortar” facility. In 2003, a skeptical U.S. intelligence official told Barbara Slavin and John Diamond in USA Today
that the CIA is ‘not certain there even is’ a uranium-enrichment plant in North Korea. In 2005, a former State Department official told Paul Kerr in Arms Control Today that the evidence was ‘pretty sketchy.’ The United States has never identified a specific facility under construction. In subsequent Congressional testimony in mid-2007, after the "mid-decade" of the 2002 estimate had passed, the intelligence-community walked back these claims. According to Joseph DeTrani, the North Korean mission manager for the Director of National Intelligence, the community had ‘high confidence’ that North Korea was seeking the components for a large centrifuge program, but only "mid-confidence" that such a program existed. There was no mention of an actual facility. The New York Times, Washington Post and the wire services produced a flurry of coverage on the apparent turnabout. The Times and Post wrote outraged editorials, suggesting the Administration had again ‘exaggerated,’ ‘hyped,’ and ‘spun’ the intelligence. It seems odd that Smith and Warrick would revive the claim of the centrifuge facility without referencing this history, which includes reporting by their colleague Glenn Kessler. As in the case of North Korea’s plutonium production, we may never know how close Pyongyang was to building a large uranium enrichment facility that could provide another route to the bomb. It appears most of the equipment found its way into other projects, according to testimony by then-Assistant Secretary of State Christopher Hill. The aluminum tubes were used into two conventional weapons systems. The North Koreans provided limited access to confirm the end use of materials including samples of the aluminum tubes. In a final twist to the bizarre saga, according to a report by Kessler, one of the samples was contaminated with enriched uranium, though the source remains unclear. The question of whether or not North Korea had a massive enrichment program bears directly on the wisdom of the Bush administration’s decision to confront the North Koreans, triggering the collapse of the Agreed Framework, allowing Pyongyang to produce more plutonium and eventually leading to two nuclear tests. Khan’s speculation about the possibility of such a facility is interesting, especially his estimate of how quickly North Korea might be able to undertake a full-scale production program. But the crucial question remains whether or not North Korea was constructing a full-scale enrichment facility or still attempting to acquire all the components. And, on this matter, Khan had relatively little insight. A.Q. Khan, of course, isn’t writing about North Korea at all. North Korea is just the scenery for a story that he is telling about Pakistan’s domestic politics. This is a tale in which other, more powerful individuals have decided to cooperate with North Korea, Libya and Iran, while he is just a humble civil servant trying to do right by his country. It’s not a wholly convincing story, but it is understandable enough that Khan’s statements should be self-serving. Similarly, the embrace of his claims by Joseph and others is also understandable. Even if, in any other context, they would be skeptical of someone like Khan, the vindication he provides for discredited policies is obviously appealing. These are simple enough human motivations to understand. Yet self-serving statements by scoundrels like Khan or former officials like Joseph obscure, rather than reveal, the real state of North Korea’s nuclear program and, in important ways, complicate the task of devising appropriate policies. Nor are the North Koreans any help, with their bombast, bluster and threats. Over the past year, North Korea has made a series of statements—on April 14, April 29, June 13, and September 4—suggesting that it is in fact pursuing uranium enrichment to produce fuel for yet-to-be-constructed light-water reactors. Much of the press coverage of these statements was
inept, incorrectly describing North Korea’s announcement as involving full-scale production (wrong), highly enriched uranium (wrong again), or weaponization (still wrong). The actual status of North Korea’s enrichment programs remains unclear. The Obama Administration will have to think through an approach to North Korea that takes into account this uncertainty, while placing in appropriate context what some have called a “footnote” to Pyongyang’s much larger plutonium program. There are not obvious or easy answers. But my first bit of advice in devising such policies is an oldie, but goodie: Don’t believe everything you read in the newspaper.” (Jeffrey Lewis, “How A.Q. Khan Helped Distort America’s DPRK Policy,” 38North, April 1, 2010)

North Korea told visiting South Korean company officials that they plan to “freeze” a Seoul-run reunion facility at its eastern mountain resort, a government official here said. “We have learned from company officials who visited the resort that North Korean authorities plan to freeze the reunion center,” used as a venue for the gathering of families separated by the Korean War, Unification Ministry spokesman Chun Hae-sung told reporters. (Sam Kim, “N. Korea Says It Will ‘Freeze’ S. Korean Government Facility,” Yonhap, April 1, 2010)

Assistant Secretary of State Kurt Campbell met with South Korea’s top nuclear negotiator and other security and foreign policy officials here for discussions on what he called important “developments” in the region. “It was important, given the developments, to come (to Korea) for a chance to talk” with officials in Seoul, said at the start of a meeting with Wi Sung-lac, Seoul’s chief envoy in six-nation negotiations on Pyongyang’s nuclear ambitions. He did not elaborate on the “developments.” But his trip came amid reports that North Korean leader Kim Jong-il is likely to visit China soon, a move that could lead to the resumption of the nuclear talks that also involve South Korea, the United States, Japan, China and Russia. (Yonhap, “Senior U.S. Diplomat Visits Seoul to Discuss N. Korea,” Yonhap, April 2, 2010) South Korea has asked the U.S. not to hold talks with North Korea before the cause of the sinking of the South Korean naval vessel Cheonan is determined. This is expected to derail the planned visit to the U.S. by North Korean Vice Foreign Minister Kim Kye Gwan. “We’ve asked U.S. Assistant Secretary of State for East Asian and Pacific Affairs Kurt Campbell to postpone North Korea-U.S. talks for a while. If relations between North Korea and the U.S. improve at a time when inter-Korean relations worsen due to unexpected events such as the sinking of the Cheonan, Seoul could feel isolated. We have informed the U.S. government of such worries,” a South Korean official said on April 12. “The U.S. has accepted our request and deferred its issuance of an entry visa for a key North Korean figure who had planned to visit the U.S.” Campbell offered condolences over the Cheonan mishap April 2 to Wi Sung-lac, South Korea’s chief nuclear negotiator, saying, “We’ll do anything to help our South Korean friends, who have recently suffered a lot.” Another South Korean government source said, “The U.S. has participated in efforts to find the cause of the Cheonan’s sinking. (South Korea) will be left with an egg on its face if North Korea turns out to have attacked the Cheonan. To avoid such an awkward situation, Washington decided against speaking with Pyongyang before the cause of the incident is confirmed.” (Dong-A Ilbo, “U.S. Asked to Delay Talks with N. Korea,” April 13, 2010)
President Obama said that he was revamping American nuclear strategy to substantially narrow the conditions under which the United States would use nuclear weapons. But the president said in an interview that he was carving out an exception for “outliers like Iran and North Korea” that have violated or renounced the main treaty to halt nuclear proliferation. Discussing his approach to nuclear security the day before formally releasing his new strategy, Obama described his policy as part of a broader effort to edge the world toward making nuclear weapons obsolete, and to create incentives for countries to give up any nuclear ambitions. To set an example, the new strategy renounces the development of any new nuclear weapons, overruling the initial position of his own defense secretary. Obama’s strategy is a sharp shift from those of his predecessors and seeks to revamp the nation’s nuclear posture for a new age in which rogue states and terrorist organizations are greater threats than traditional powers like Russia and China. It eliminates much of the ambiguity that has deliberately existed in American nuclear policy since the opening days of the cold war. For the first time, the United States is explicitly committing not to use nuclear weapons against nonnuclear states that are in compliance with the Nuclear Nonproliferation Treaty, even if they attacked the United States with biological or chemical weapons or launched a crippling cyberattack. Those threats, Obama argued, could be deterred with “a series of graded options,” a combination of old and new conventional weapons. “I’m going to preserve all the tools that are necessary in order to make sure that the American people are safe and secure,” he said in the interview in the Oval Office. White House officials said the new strategy would include the option of reconsidering the use of nuclear retaliation against a biological attack, if the development of such weapons reached a level that made the United States vulnerable to a devastating strike. “We are going to want to make sure that we can continue to move towards less emphasis on nuclear weapons;” and, Obama added, to “make sure that our conventional weapons capability is an effective deterrent in all but the most extreme circumstances.” The release of the new strategy, known as the Nuclear Posture Review, opens an intensive nine days of nuclear diplomacy geared toward reducing weapons. Obama plans to fly to Prague to sign a new arms-control agreement with Russia on Thursday and then next week will host 47 world leaders in Washington for a summit meeting on nuclear security. The most immediate test of the new strategy is likely to be in dealing with Iran, which has defied the international community by developing a nuclear program that it insists is peaceful but that the United States and its allies say is a precursor to weapons. Asked about the escalating confrontation with Iran, Mr. Obama said he was now convinced that “the current course they’re on would provide them with nuclear weapons capabilities,” though he gave no timeline. He dodged when asked whether he shared Israel’s view that a “nuclear capable” Iran was as dangerous as one that actually possessed weapons. “I’m not going to parse that right now,” he said, sitting in his office as children played on the South Lawn of the White House at a daylong Easter egg roll. But he cited the example of North Korea, whose nuclear capabilities were unclear until it conducted a test in 2006, which it followed with a second shortly after Obama took office. “I think it’s safe to say that there was a time when North Korea was said to be simply a nuclear-capable state until it kicked out the I.A.E.A. and become a self-professed nuclear state,” he said. “And so rather than splitting hairs on this, I think that the international community has a strong sense of what it means to pursue civilian nuclear energy for peaceful purposes
versus a weaponizing capability.” Obama said he wanted a new United Nations sanctions resolution against Iran “that has bite,” but he would not embrace the phrase “crippling sanctions” once used by Secretary of State Hillary Rodham Clinton. And he acknowledged the limitations of United Nations action. “We’re not naïve that any single set of sanctions automatically is going to change Iranian behavior,” he said, adding “there’s no light switch in this process.” The document to be released tomorrow after months of study led by the Defense Department will declare that “the fundamental role” of nuclear weapons is to deter nuclear attacks on the United States, allies or partners, a narrower presumption than the past. But Obama rejected the formulation sought by arms control advocates to declare that the “sole role” of nuclear weapons is to deter a nuclear attack. In shifting the nuclear deterrent toward combating proliferation and the sale or transfer of nuclear material to terrorists or nonnuclear states, Obama seized on language developed in the last years of the Bush administration. It had warned North Korea that it would be held “fully accountable” for any transfer of weapons or technology. But the next year, North Korea was caught aiding Syria in building a nuclear reactor but suffered no specific consequence.

Obama was asked whether the American failure to make North Korea pay a heavy price for the aid to Syria undercut Washington’s credibility. “I don’t think countries around the world are interested in testing our credibility when it comes to these issues,” he said. He said such activity would leave a country vulnerable to a nuclear strike, and added, “We take that very seriously because we think that set of threats present the most serious security challenge to the United States.” (David E. Sanger and Peter Baker, “Obama Limits When U.S. Would Use Nuclear Arms,” New York Times, April 5, 2010, p. A-1)

Obama interview: “Q. The posture review clearly makes most nations immune from first strike – with some notable exceptions: nuclear states – but the most interesting new exception that you have in this is states like Iran and North Korea, that are, particularly in Iran’s case, not living up to the NPT, at least as viewed by many around the world. If you were Iran or North Korea and you read this document, what would your takeaway be from it? A. What I hope everybody understands is that coming into office I’ve tried to maintain a consistent, comprehensive strategy that moves us in the direction of strengthening the Non-Proliferation Treaty and that encourages countries to abide by international codes of conduct and basic rules of the road. And so the Nuclear Posture Review, I would say, is part of an overall strategy to send a clear message that we’re going to have a strong NPT, that everybody has an interest in being in the NPT, that we’re going to follow our obligations within the NPT, and that we are going to try to bring every tool that we have at our disposal to prevent proliferation and to prevent nuclear terrorism. And so all countries – whether they’re nuclear weapons states, nonnuclear weapons states or aspiring nuclear weapons states – I think should be very clear about what our approach and our strategy is. And I do think that when you’re looking at outliers like Iran or North Korea, they should see that over the course of the last year and a half we have been executing a policy that will increasingly isolate them so long as they are operating outside of accepted international norms. Q. You picked up on some wording that President Bush left over after the North Korea nuclear test, I think Mr. Hadley then repeated, which was that states would be held “fully accountable.” At the same time, you could argue that that’s
got less credibility than it did – North Korea obviously was helping Syria build a complete nuclear reactor, didn’t suffer a whole lot for that action in 2007-2008. How does this become more credible? A. Well, I don’t think countries around the world are interested in testing our credibility when it comes to these issues. The message we’re sending here, consistent with what I said earlier about our overall approach, is that for you to assist a terrorist organization to obtain nuclear material or nuclear weapons, or for you to as a state to actively pursue a proliferation agenda is one that will leave you outside of our negative assurances. We take that very seriously because we think that that set of threats present the most serious security challenge for the United States. … Q. Mr. President, you raise a critical question there when you said “nuclear weapons capabilities.” You have said before you could not live with a nuclear weapon state in Iran, and many members of your administration have said that. People have been less specific about whether you could live with a nuclear-capable Iran, an Iran that runs right up to the edge. A. I’m not going to parse that right now. I think it’s safe to say that there was a time when North Korea was said to be simply a nuclear-capable state until it kicked out the I.A.E.A. and become a self-professed nuclear state. And so rather than splitting hairs on this, I think that the international community has a strong sense of what it means to pursue civilian nuclear energy for peaceful purposes versus a weaponizing capability. And a weaponizing capability is obviously significant as we evaluate whether or not Iran or any other country is serious about these issues. … But we do think that sanctions that are robust send a strong message. And the sanctions that we have applied on North Korea have been enforced vigorously, and we do think have had an impact.” (Excerpts from Obama Interview, New York Times, April 6, 2010)

Nuclear Posture Review: “The United States will continue to strengthen conventional capabilities and reduce the role of nuclear weapons in deterring non-nuclear attacks, with the objective of making deterrence of nuclear attack on the United States or our allies and partners the sole purpose of U.S. nuclear weapons. Since the end of the Cold War, the strategic situation has changed in fundamental ways. With the advent of U.S. conventional military preeminence and continued improvements in U.S. missile defenses and capabilities to counter and mitigate the effects of CBW, the role of U.S. nuclear weapons in deterring non-nuclear attacks – conventional, biological, or chemical – has declined significantly. The United States will continue to reduce the role of nuclear weapons in deterring non-nuclear attacks. To that end, the United States is now prepared to strengthen its long-standing “negative security assurance” by declaring that the United States will not use or threaten to use nuclear weapons against non-nuclear weapons states that are party to the NPT and in compliance with their nuclear non-proliferation obligations. This revised assurance is intended to underscore the security benefits of adhering to and fully complying with the NPT and persuade non-nuclear weapon states party to the Treaty to work with the United States and other interested parties to adopt effective measures to strengthen the non-proliferation regime. In making this strengthened assurance, the United States affirms that any state eligible for the assurance that uses chemical or biological weapons against the United States or its allies and partners would face the prospect of a devastating conventional military response - and that any individuals responsible for the attack, whether national leaders or military commanders, would be held fully accountable. Given the
catastrophic potential of biological weapons and the rapid pace of bio-technology development, the United States reserves the right to make any adjustment in the assurance that may be warranted by the evolution and proliferation of the biological weapons threat and U.S. capacities to counter that threat. In the case of countries not covered by this assurance – states that possess nuclear weapons and states not in compliance with their nuclear non-proliferation obligations – there remains a narrow range of contingencies in which U.S. nuclear weapons may still play a role in deterring a conventional or CBW attack against the United States or its allies and partners. The United States is therefore not prepared at the present time to adopt a universal policy that deterring nuclear attack is the sole purpose of nuclear weapons, but will work to establish conditions under which such a policy could be safely adopted. Yet that does not mean that our willingness to use nuclear weapons against countries not covered by the new assurance has in any way increased. Indeed, the United States wishes to stress that it would only consider the use of nuclear weapons in extreme circumstances to defend the vital interests of the United States or its allies and partners. It is in the U.S. interest and that of all other nations that the nearly 65-year record of nuclear non-use be extended forever. Accordingly, among the key conclusions of the NPR:

· The United States will continue to strengthen conventional capabilities and reduce the role of nuclear weapons in deterring non-nuclear attacks, with the objective of making deterrence of nuclear attack on the United States or our allies and partners the sole purpose of U.S. nuclear weapons.

· The United States would only consider the use of nuclear weapons in extreme circumstances to defend the vital interests of the United States or its allies and partners.

· The United States will not use or threaten to use nuclear weapons against non-nuclear weapons states that are party to the NPT and in compliance with their nuclear nonproliferation obligations. …

Key NPR recommendations include:

· Conduct follow-on analysis to set goals for future nuclear reductions below the levels expected in New START, while strengthening deterrence of potential regional adversaries, strategic stability vis-à-vis Russia and China, and assurance of our allies and partners. … Given that Russia and China are currently modernizing their nuclear capabilities – and that both are claiming U.S. missile defense and conventionally-armed missile programs are destabilizing – maintaining strategic stability with the two countries will be an important challenge in the years ahead.

· The United States will pursue high-level, bilateral dialogues on strategic stability with both Russia and China which are aimed at fostering more stable, resilient, and transparent strategic relationships. … With China, the purpose of a dialogue on strategic stability is to provide a venue and mechanism for each side to communicate its views about the other’s strategies, policies, and programs on nuclear weapons and other strategic capabilities. The goal of such a dialogue is to enhance confidence, improve transparency, and reduce mistrust. As stated in the 2010 Ballistic Missile Defense Review Report, ‘maintaining strategic stability in the U.S.-China relationship is
as important to this Administration as maintaining strategic stability with other major powers.’ … First, any future nuclear reductions must continue to strengthen deterrence of potential regional adversaries, strategic stability vis-à-vis Russia and China, and assurance of our allies and partners. This will require an updated assessment of deterrence requirements; further improvements in U.S., allied, and partner non-nuclear capabilities; focused reductions in strategic and nonstrategic weapons; and close consultations with allies and partners. The United States will continue to ensure that, in the calculations of any potential opponent, the perceived gains of attacking the United States or its allies and partners would be far outweighed by the unacceptable costs of the response. ... In Asia and the Middle East - where there are no multilateral alliance structures analogous to NATO – the United States has maintained extended deterrence through bilateral alliances and security relationships and through its forward military presence and security guarantees. When the Cold War ended, the United States withdrew its forward deployed nuclear weapons from the Pacific region, including removing nuclear weapons from naval surface vessels and general purpose submarines. Since then, it has relied on its central strategic forces and the capacity to redeploy nuclear systems in East Asia in times of crisis. Although nuclear weapons have proved to be a key component of U.S. assurances to allies and partners, the United States has relied increasingly on non-nuclear elements to strengthen regional security architectures, including a forward U.S. conventional presence and effective theater ballistic missile defenses. As the role of nuclear weapons is reduced in U.S. national security strategy, these non-nuclear elements will take on a greater share of the deterrence burden. Moreover, an indispensable ingredient of effective regional deterrence is not only non-nuclear but also non-military – strong, trusting political relationships between the United States and its allies and partners. ...In pursuit of their nuclear ambitions, North Korea and Iran have violated nonproliferation obligations, defied directives of the United Nations Security Council, pursued missile delivery capabilities, and resisted international efforts to resolve through diplomatic means the crises they have created. Their illicit supply of arms and sensitive material and technologies has heightened global proliferation risks and regional tensions. Their provocative behavior has increased instability in their regions. Continued non-compliance with non-proliferation norms by these and other countries would seriously weaken the Nuclear Non-Proliferation Treaty (NPT), with adverse security implications for the United States and the international community at large. The potential for regional aggression by these states raises challenges not only of deterrence, but also of reassuring U.S. allies and partners. In the Cold War, our allies sought assurance that they would remain safe in the face of Soviet threats because the United States was demonstrably committed to their security. Today’s environment is quite different. Some U.S. allies are increasingly anxious about changes in the security environment, including nuclear and missile proliferation, and desire reassurance that the United States will remain committed to their security. A failure of reassurance could lead to a decision by one or more non-nuclear states to seek nuclear deterrents of their own, an outcome which could contribute to an unraveling of the NPT regime and to a greater likelihood of nuclear weapon use. ... We will continue to assure our allies and partners of our commitment to their security and to demonstrate this commitment not only through words, but also through deeds. This includes the continued forward deployment of U.S. forces in key regions, strengthening of U.S. and allied non-nuclear
capabilities, and the continued provision of extended deterrence. Such security relationships are critical not only in deterring potential threats, but can also serve our non-proliferation goals - by demonstrating to neighboring states that their pursuit of nuclear weapons will only undermine their goal of achieving military or political advantages, and by reassuring non-nuclear U.S. allies and partners that their security interests can be protected without their own nuclear deterrent capabilities. Further, the United States will work with allies and partners to strengthen the global non-proliferation regime, especially the implementation of existing commitments within their regions. Security architectures in key regions will retain a nuclear dimension as long as nuclear threats to U.S. allies and partners remain. U.S. nuclear weapons have played an essential role in extending deterrence to U.S. allies and partners against nuclear attacks or nuclear-backed coercion by states in their region that possess or are seeking nuclear weapons. A credible U.S. “nuclear umbrella” has been provided by a combination of means - the strategic forces of the U.S. Triad, non-strategic nuclear weapons deployed forward in key regions, and U.S.-based nuclear weapons that could be deployed forward quickly to meet regional contingencies. The mix of deterrence means has varied over time and from region to region. In Asia and the Middle East - where there are no multilateral alliance structures analogous to NATO - the United States has mainly extended deterrence through bilateral alliances and security relationships and through its forward military presence and security guarantees. When the Cold War ended, the United States withdrew its forward-deployed nuclear weapons from the Pacific region, including removing nuclear weapons from naval surface vessels and general purpose submarines. Since then, it has relied on its central strategic forces and the capacity to redeploy non-strategic nuclear systems in East Asia, if needed, in times of crisis. The Administration is pursuing strategic dialogues with its allies and partners in East Asia and the Middle East to determine how best to cooperatively strengthen regional security architectures to enhance peace and security, and reassure them that U.S. extended deterrence is credible and effective. Enhancing regional security architectures is a key part of the U.S. strategy for strengthening regional deterrence while reducing the role and numbers of nuclear weapons. These regional security architectures include effective missile defense, counter-WMD capabilities, conventional power-projection capabilities, and integrated command and control – all underwritten by strong political commitments. The goal is to ensure that if states attempt to attack U.S. forces or our allies and partners, their attacks will be blunted and their aims denied by an enhanced set of capabilities - and that these states understand this reality and so are deterred from threatening or undertaking such an attack. Strengthening the non-nuclear elements of regional security architectures is vital to moving toward a world free of nuclear weapons. The United States is positioned with capabilities across all domains to deter a wide range of attacks or forms of coercion against itself, its allies, and partners. Credible deterrence depends on land, air, and naval forces capable of fighting limited and large-scale conflicts in anti-access environments, as well as forces prepared to respond to the full range of challenges posed by state and non-state groups. These forces are enabled by U.S. capabilities to protect its assets in cyberspace and outer space and enhanced by U.S. capabilities to deny adversaries’ objectives through resilient infrastructure (including command and control systems), global basing and posture, and ballistic
A number of analysts argued that by publicly painting a target on Iran and North Korea the administration could, perhaps unwittingly, bolster hard-liners in those countries, who have made the case that nuclear weapons are the only way to ensure their safety against American plotting. The opposite critique came from two senior Republican Party national security experts – Senators John McCain and Jon Kyl, both of Arizona – who contended that the pressure was not direct enough. “We believe that preventing nuclear terrorism and nuclear proliferation should begin by directly confronting the two leading proliferators and supporters of terrorism, Iran and North Korea,” they wrote. “The Obama administration’s policies, thus far, have failed to do that, and this failure has sent exactly the wrong message to other would be proliferators and supporters of terrorism.” To Mr. Obama and his aides, the “outlier” approach is all part of a broader strategy of adding to the pressure on both countries. Over the past year, they have aided the interception of North Korea’s shipping. They have sought to develop new sanctions against the Iranian Revolutionary Guard Corps and to undermine its nuclear program with a program of covert action. (David E. Sanger and Thom Shanker, “Obama’s Nuclear Strategy Intended as a Message,” New York Times, April 6, 2010, p. A-) 

North Korea threatened to abandon a search for the remains of U.S. soldiers who went missing during the 1950-53 Korean War, saying Washington would be to blame for the loss. The statement is likely a move by the destitute North to win cash from Washington, which due to political reasons had suspended joint recovery projects that once brought cash to the reclusive state’s depleted coffers, experts said. “Though lots of U.S. remains are being dug out and scattered here and there in our country, our side will no longer be concerned about it,” a North Korean army spokesman was quoted as saying by KCNA. In January, the United States rejected a North Korean proposal to reopen talks on finding the remains of U.S. soldiers missing in action (MIA) from the 1950-53 war, saying Pyongyang must first return to negotiations aimed at ending its nuclear arms program. “We are very surprised at the U.S. which is turning away from the fact that its servicemen’s remains are being spoiled and scattered here and there in the DPRK,” the North’s military official said. The U.S. State Department said roughly 8,100 of the country’s servicemen remain unaccounted for. In 33 missions to North Korea until recovery work was suspended in 2005 amid rising tensions over the North’s nuclear ambitions, more than 20 sets of remains had been identified. (Jack Kim, “North Korea Threatens to Abandon U.S. MIA Remains,” Reuters, April 4, 2010)
Obama fully understands the situation as well, and that is perhaps one reason why we are seeing a very close coordination among the members of the international community when it comes to dealing with the North Koreans. And I think such cooperation and close coordination by the international community is applying a lot of pressure on North Korea, telling them to return to the six-party talks table. 

_For a regime willing to let its own people starve, how can sanctions be effective?_ I think it’s . . . there’s no denying that the North Korean regime and its leadership are facing a transformative moment right now. Because in the past we know that the North Korean leadership was unilaterally forcing its ideology and its way of life to the North Korean people. And the general population really had no choice but to go along with the North Korean leadership. But now that is changing. This is a small yet very significant change we are detecting within North Korea. As you know, recently the North Korean leadership failed dismally in its effort to reform its currency; the state of the North Korean economy is worsening by the day; the people’s perception about their leadership is changing as well, which is a very, very dramatic and significant change.

**How are you detecting this change?** I mentioned their efforts to have currency reform, which failed, and as a result, the ordinary lives of the North Korean people have just gotten worse than before, and it’s worsening day by day. We have received a lot of reports from North Korea that for the first time the North Korean leadership is now intent on actually explaining their reason for the failure to the North Korean population -- something that we haven’t seen before is them admitting that they made mistakes . . . This in itself is a very significant change compared to the past; it has been said that the North Korean leadership has executed the person in charge who undertook the currency reform, although we don’t have 100 percent verifiable proof . . . And so the difference in the North Korean leadership’s behavior is that now they are actually addressing the population’s discontent -- something that we haven’t seen in the past.

**And where could that lead?** We know the challenges that the North Korean leadership is going through at the moment and I believe this can be an opportunity for us to really explore substantive dialogue with the North Koreans whereby we can convince them to fully give up their nuclear weapons capabilities; we can really sit down and talk about specific ways whereby South Korea and the international community can help the North Koreans in terms of reviving their economy and improving their quality of life. It has never been my intention to topple the North Korean regime, but it has been my intention to help the North Korean regime achieve a level of sustainability that can provide the necessary goods to its people. And so this is my policy; this is something I will continue to do. 

**What’s the level of hunger in North Korea?** We’re going to have to wait and see how their agricultural productivity performed this year, because now we’re just beginning with the planting season. In terms of the number of those who died from hunger, that statistic fortunately has gone down a little bit. And I think one reason for that is because many North Korean people, on a personal level, are venturing forth into northern China to gather whatever necessary food or other products they can get. So the number of people dying of hunger, from hunger, is decreasing, thankfully. 

*If North Korean leader Kim Jong Il goes to China, will he receive aid that might relieve the pressure you hope could lead to an agreement?*_ Well, I think the Chinese leadership is fully aware of what the North Koreans may want or may demand. If the Chinese leadership decides to provide North Korea with some sort of assistance, either in food or financial assistance, it is going to be very limited and with
conditions. For instance, the Chinese will demand that North Korea return to the six-party negotiating table or they will put other conditions in return for their assistance. But I think the Chinese leadership is very aware that the international community is fully behind [it] and they’re working very closely together. I do not think that the Chinese will freely go against what the U.N. Security Council has adopted in its resolution or what the other remaining members of the six-party talks want to do. Do you have useful conversations with China’s leaders about this? Yes, I think it’s safe to say that we have been engaging in more in-depth dialogue with Beijing compared to the past.

You’ve said no one should jump to conclusions about the sinking of your naval ship. But if North Korea turns out to be responsible, what options would you have for response? The most important thing for us is to determine, of course, the actual cause of the sinking, but also for us to come up with a result, a report, that the international community will find acceptable and approve. So the process must be transparent and it must yield accurate results, and for that, we have invited experts from our ally the United States to take part in the investigation to determine the cause of the sinking. If need be, we will be inviting other countries or other experts from other institutions and countries. And also we’ve asked the United Nations for help and assistance in determining the accurate cause, and all of these measures are being carried out so that we can increase the credibility of the report that will be coming out. And for me, as president, I don’t attach too much importance on whether we can come up with results as soon as possible, because I attach much more importance on the accuracy of the report. But when it’s finished, you will have to weigh your options. Yes, of course. With the report, we will respond accordingly. But right now, I think it’s premature for me to make a comment on what type of option or policy options that we will employ. But I’m very committed to responding in a firm manner if need be. Would you ask Chinese leaders to press Kim Jong Il for any information the North might have about this? When it comes to the sinking of the ship, I don’t think there’s anything that we could ask or ascertain from the Chinese. Right now, like I said, what’s important is to accurately assess the reason for the sinking of the ship and then we will respond accordingly.

What’s your view of the new government in Japan and its talk about new forms of Northeast Asian cooperation? We have seen the change of Japan’s leadership for the first time in more than 50 years. This has a lot of meanings, significant meaning, both within Japan domestically and also when you look at the region of Northeast Asia as well. And I think lots of changes are happening and will happen in the region. As for how the alliance relationship between Japan, the United States and our relationship with Japan changes and evolves, we are going to wait and see for the time being. As for the talks of establishing a Northeast Asia community that has been put forth by the Democratic Party of Japan, and for it to be materialized, lots of preconditions have to be met, but I don’t think it is going to be very easy at the moment, and there is lots of work that has to be done in order to make this happen. I think within Japan there is talk about how there is the need to reassess the future of the U.S.-Japan alliance. This discussion, when side by side with talks of establishing a Northeast Asia community, there is a lot of speculation coming out, especially from the U.S. perspective. I think we have to continue to watch very closely how this discussion evolves, but it is my personal thinking that our trilateral cooperation between the United States, Japan and Korea when they consider the regional and global issues, we will once again enter into a very healthy partnership that contributes positively to global peace and stability.”
A spokesman for the General Guidance Bureau for the Development of Scenic Spots of the DPRK issued the following statement Thursday: The Cabinet and relevant institutions of the DPRK recently conducted an overall survey of real estates of the south side in the Mt. Kumgang Tourist Zone. The survey was carried out, pursuant to the solemn declaration made internally and externally in a statement of a spokesman for the Korea Asia-Pacific Peace Committee on March 4 that it would allow the tour of the Kaesong area from March and the tour of Mt. Kumgang from April and take resolute measures in case the south Korean authorities continue obstructing the resumption of the tour. The south Korean authorities, however, have not taken any sincere approach toward the resumption of the tour while talking about "adherence to their stand" despite our persevering efforts and the unanimous demand of the south Koreans from all walks of life. It is against this backdrop that we started the survey to freeze the real estates of the south side in the tourist zone as already declared.

Enormous are economic losses suffered by us due to the long suspension of the tour and the confiscation of all real estates and facilities of the south side in the tourist zone would not be enough to compensate for them. Moreover, how can one assess in cash the military and security value of area of Mt. Kumgang, the south Koreans' wishes to see world famous scenic spots and the joy shown by the Koreans at the tour symbolic of national reconciliation and reunification? If there be anyone who suffered losses, it is none other than the Korean people, the Korean nation and the south side's businesses, not the puppet group. ...It is also preposterous for the group to talk about "breach of south-north agreement and international norms." Who did unilaterally suspend the tour after totally violating the June 15 joint declaration and the October 4 declaration which are the most important of the north-south agreements and overturning the agreements between us and Hyundai? It is the universally accepted practice and common sense that if any economic agreement or contract remains unimplemented for a certain period, it is bound to be scrapped and compensation should be made for the resultant loss, even according to international practice. ... Now that there is no way to save the tour of Mt. Kumgang from a crisis, the General Guidance Bureau for the Development of Scenic Spots of the DPRK is authorized to solemnly declare that it enters the phase of implementing the following steps in the wake of the survey of real estates of the south side in the Mt. Kumgang Tourist Zone as already clarified: 1. We will freeze as the first phase the Mt. Kumgang Reunion Center and the fire brigade belonging to the south Korean authorities and a cultural center, a hot spring resort and tax exemption office belonging to the Tourist Company of south Korea and expel all their management personnel. 2. We will deprive the Hyundai Securities, the Idun Company and the Phyongan Fibre Industrial Co. Ltd of the south side that dodged the survey of their business rights and disallow the entry of those concerned into Mt. Kumgang. 3. Tour of Mt. Kumgang by people at home and abroad will soon start through new business enterprise now that the agreement and contract on the tour made with Hyundai are no longer valid due to the south Korean authorities. 4. In case the south Korean conservative group continues mocking at the sincere efforts of the DPRK and defiling them and escalate confrontation with the DPRK quite contrary to the spirit of the joint declarations and the desire of the nation, we will reexamine the work
North Korea has as many as six nuclear weapons, according to U.S. Secretary of State Hillary Clinton, news agencies reported on Saturday. “We know that North Korea has some where between one and six nuclear weapons,” Clinton said during a speech at the University of Louisville in Kentucky. “In North Korea, the leadership -- what do they call him, the Dear Leader? -- has had some health problems,” she said. “Kim Jong-il has had some difficulties with some of the economic policies that he’s put forward that have engendered real popular protest on the part of North Koreans. So it’s been difficult to get this regime to move back into the six-party talks.” She added, “But our alliance with China, Russia and South Korea and Japan is very strong, and I believe we will eventually get there.” (Korea Herald, “N. Korea Has up to 6 Nuclear Weapons, Says Clinton,” April 11, 2010)

DPRK FoMin spokesman: “The review made public on April 6 proves that the present U.S. administration still regards nukes as a mainstay in carrying out its strategy for world domination. President Obama blustered that the U.S. will not use or threaten to use nuclear weapons against non-nuclear weapons states that comply with the provisions of NPT but exception is made for countries such as the DPRK and Iran. This proves that the present U.S. policy towards the DPRK is nothing different from the hostile policy pursued by the Bush administration at the outset of its office during which it was hell-bent on posing a nuclear threat to the DPRK after designating it as a “target of preemptive nuclear strike.” By releasing the review the U.S. completely backpedaled its commitment made in the September 19 Joint Statement of the six-party talks that it has no intention to attack or invade the DPRK with nuclear weapons or conventional weapons, and again chilled the hard-won atmosphere for the resumption of the talks. As far as the NPT is concerned, it is not a treaty to last long because it is a transitional step to prevent nuclear proliferation till the world is denuclearized. The DPRK pulled out of the treaty after going through legitimate and legal procedures as the U.S. more undisguisedly used the NPT as a lever for isolating and stifling it. The DPRK manufactured nukes, not prompted by any nuclear ambition. It produced them for the purpose of deterring the U.S. attack and defending its sovereignty and right to existence because the latter posed substantial nuclear threat to it after singling it out as “a target of preemptive nuclear attack.” The DPRK has so far sincerely implemented its international obligation as a responsible nuclear weapons state. The denuclearization of the Korean Peninsula is the invariable goal of the DPRK. If the peninsula and the rest of the world are to be denuclearized, the U.S. should stop such hostile acts as trampling down upon other countries' sovereignty and right to existence, pursuant to its policy of strength based on nuclear supremacy. What is most urgent is for the U.S. to roll back its hostile policy towards the DPRK in practice, not with an empty talk, and take a confidence-building measure. As long as the U.S. nuclear threat persists, the DPRK will increase and update various type nuclear weapons as its deterrent in such a manner as it deems necessary in the days ahead. The DPRK is fully capable of doing so. It is the U.S. that gives the former ground and justification to do so. The U.S. should know that gone are the days never to return when the DPRK was only
exposed to the blackmail and pressure slapped by the former on the strength of its nuclear weapons. (KCNA, “Foreign Ministry Dismisses U.S. Nuclear Plan,” April 9, 2010)

4/12/10 South Korea’s chief nuclear envoy, Wi Sung-lac, met with U.S. Deputy Secretary of State, James Steinberg to discuss the stalled six-party talks on North Korea’s nuclear dismantlement. Wi did not give details on the meeting, saying only that “We are continuing bilateral dialogue with our counterparts from the State Department,” Yonhap reported. Wi is scheduled to meet tomorrow with Stephen Bosworth, U.S. special representative for North Korea policy, and Sung Kim, special envoy for six-party talks. (Kim Young-jin, “Top Nuclear Envoy Meets U.S. Official,” Korea Times, April 13, 2010)

According to the sources, during informal talks between the two this evening, Hatoyama told Obama: “The relationship between our two countries is very important. I am making every effort, and am always thinking about it. I’ll settle [the relocation issue] by the end of May.” Hatoyama then asked Obama for his cooperation. In response, however, Obama “strongly demanded” that Hatoyama settle the matter as he said he would do, according to the sources. (Ogawa Satoshi, “Obama to Hatoyama: Get Futenma Base Issue Sorted Out, Yomiuri Shimbun, April 16, 2010)

4/13/10 The military managed to hoist a part of the sunken Cheonan’s stern above the waterline yesterday, and discovered several pieces missing, which suggests a strong blast from the outside sunk the ship. A section of the Cheonan’s stern was hoisted by a sea floating crane and moved to shallower waters near Baengnyeong Island, close to the western sea border in the Yellow Sea, 17 days after the unexplained sinking. A defense official said that two of four ship-to-ship harpoon missiles installed in the stern appear to be missing. Also, a large stovepipe disappeared. (Yonhap, “Cheonan Stern Breaks Surface after 17 Days; Certain Signs of Damage Suggest Powerful Blast from Outside Ship,” JoongAng Ilbo, April 13, 2010)

North Korea has told four employees at a South Korean-run mountain resort to leave the communist nation within 24 hours as part of measures to freeze Seoul-held assets there, sources here said. The North has also sealed the key holes of entrances to five facilities and has pasted keep-out stickers, they said. The facilities were built and run by the South Korean government and its state tourism agency. The workers, ethnic Koreans from China, had been overseeing the maintenance of a family reunion center at Mount Kumgang. The other facilities subject to the asset freeze included a duty free shop run by Seoul's Korea Tourism Organization. (Yonhap, “N. Korea Tells S. Korean Employees at Mount Kumgang to Leave,” April 13, 2010)

North Korea’s market prices and currency exchange rate appear to be stabilizing after severe fluctuations from an abrupt government-led currency reform last year, the Seoul government said. (Tony Chang, “N. Korea’s Inflation, Exchange Rate Stabilizing after Currency Reform Shock: Seoul,” Yonhap, April 13, 2010)

4/14/10 As world leaders gathered in Washington this week for a first-ever global nuclear summit, with North Korea being a major item on the agenda, a former British diplomat
recalled that the U.S. had a chance to put a lid on North Korea’s nuclear ambition in 2002, but then sabotaged talks with Pyongyang due to domestic partisan politics. "It was a missed opportunity." That’s how James Hoare, the first British diplomat to open the British Embassy in Pyongyang in 2001, describes a key confrontation that emerged one year after his arrival in the reclusive nation, what North Korea watchers called the onset of the "second North Korean nuclear crisis." The Agreed Framework was de facto nullified in 2002 and started the second nuclear crisis when James Kelly, then U.S. assistant secretary of state for East Asia and Pacific Affairs, accused the North, immediately after a visit to Pyongyang, of having secret plutonium-based and highly-enriched uranium weapons programs, violating the agreement. The shocking news, which came amid North Korea’s uncommon experiment to reform its economy and improve relations with the world’s major powers, followed by bitter confrontation between the two, made the North halt its coming-out drive and dive deeper into bolstering its nuclear devices. "Now, North Korea has some number of nuclear weapons," Hoare said. In their confrontation in 2002, the U.S. didn’t have any evidence, but said that Kang Suk-ju, Kelly’s North Korean counterpart, “admitted” operating the clandestine program, something the North denied. Since then, long blame games have erupted between the two, while what Kelly actually heard in Pyongyang from Kang, a confidant of Kim Jong-il and first deputy minister of the foreign affairs, and used as "evidence," has remained a subject of debate to this day. "The night Kelly and his party came to my [British] Embassy in Pyongyang, there were three interpreters. And they all said they were sure about what they heard [from Kang]. But all three of them subsequently said they weren’t sure," Hoare recalled. According to Hoare, however, at the end of the day what Kang told Kelly didn’t really matter because he observed that the mission to Pyongyang was instructed to sabotage the Agreed Framework from the beginning and the highly-enriched uranium matter served as convenient cover. "In a way, it didn’t matter what North Korea said to them. When Kelly came, I felt that his hands were tied by his masters back in Washington," Hoare, now retired from diplomatic duty, spoke in undiplomatically figurative terms. "Kelly’s intention was to destroy the Agreed Framework. And it worked," he said. "He destroyed the Agreed Framework, and as a consequence, North Korea now has nuclear weapons." Hoare said the framework had a problem. "It was intensely disliked by the U.S. Republican Party because it was Clinton’s policy. It was also seen as a U.S. move to compromise on the issue of principle. So the George W. Bush administration during its first year was determined to smash the whole thing. I don’t think it was a very sensible policy. Indeed, Bush himself didn’t think it was a sensible policy either because he retracted from this hard-line posture in 2005 after winning his second election. "Donald Rumsfeld and Dick Cheney in particular were determined that they would not have an agreement with North Korea," said Hoare. "Since then, North Korea has conducted two nuclear tests, and it has gone back to testing missiles. I don’t think that was a very positive result from Kelly’s visit to Pyongyang." The reason Kelly’s delegation visited the British Embassy at that time was because the U.S. didn’t have diplomatic relations with the North and the Americans wanted to use the embassy’s communication lines to report to Washington. For Hoare, the behavior of the American diplomats in Pyongyang was unusual from the beginning. "Kelly’s team turned up. And they did no socializing with North Korean officials. That was pretty unusual. I think it was done to create confrontation." The Americans’ behavior was also a great contrast
to that of the North Koreans who were making efforts to accommodate the visitors’ needs. For example, when Kelly’s team said they would want to fly directly from Seoul to Pyongyang, officials agreed to this. When the team then said the airplane wasn’t big enough for all the delegation members and some of them would have to travel by road, crossing the Demilitarized Zone (DMZ), the North Koreans also accepted it. For Hoare, the 2002 confrontation was also unfortunate because while he was living inside North Korea at that time he saw the country was showing signs of genuinely opening up to the outside world. “It was an interesting time to be there. The engagement-based Sunshine Policy by South Korean President Kim Dae-jung seemed to be working. While being suspicious of the intentions of the policy, North Koreans were also eager for outside contracts. They were eager to send students abroad. They were seeing the benefits of engagement,” he said. Hoare got the impression during the period he was there that the thrust of North Korea’s approach was to engage in the outside world to learn. They were particularly keen to have training in economics and commercial practices. With financial support from the British government, “two North Korean cadres even attended a human rights training course at a U.K. university,” he said. “You can never go back on what has already happened,” Hoare said. “But I still think that the highly-enriched uranium issue in 2002 was an unnecessary crisis.” (Sunny Lee, “Nuclear Summit and Missed Opportunity in Pyongyang,” Korea Times, April 14, 2010)

In Washington, a senior South Korean official [Wi Sung-lac] said that efforts to resume international talks on North Korea’s nuclear programs could suffer a setback if Pyongyang is found to have been involved in the sinking. “We’ve not yet fixed a concrete game plan, but we may face criticism from the media if we reopen the talks after North Korea’s involvement is confirmed,” the official said. “We want to be very clear that there is a complete agreement between South Korea and the United States about next steps if there are to be next steps given recent developments,” Assistant Secretary of State Kurt Campbell told reporters, according to the AFP. (Chang Jae-soon, “S. Korea Raises Naval Ship; Bodies Recovered,” Yonhap, April 15, 2010)

South Korea and the United States have agreed to begin negotiations to revise a bilateral pact on the use of nuclear energy as early as possible, South Korean officials said. The nuclear accord, signed in 1974 and set to expire in 2014, requires South Korea to get consent from the United States to reprocess spent nuclear fuel as a measure against its possible use for military purposes. Seoul has demanded a renegotiation as the country’s storage facilities for spent fuel are expected to reach capacity in 2016. “On the sidelines of the Nuclear Security Summit in Washington D.C., the two allies held working-level talks to discuss a revision of the nuclear pact,” a South Korean official said on condition of anonymity. “Both sides agreed in principle to renew the accord as early as possible. The negotiations may begin in a few weeks.” (Na Jeong-ju, “Korea, U.S. to Tackle Nuclear Energy Pact,” Korea Times, April 15, 2010)

The United States has rejected Japan’s proposals to relocate U.S. Marine Corps Air Station Futenma in Okinawa to an island in Kagoshima Prefecture or an artificial island to be constructed in Okinawa, throwing cold water on Prime Minister Yukio Hatoyama’s goal to present a workable relocation site by the end of May. During his
two-day stay in Washington through Tuesday, PM Hatoyama Yukio had no opportunity to hold a formal bilateral meeting with President Barack Obama, who hosted the Nuclear Security Summit. All the increasingly embattled prime minister was able to get was a chance to speak to Obama for 10 minutes during a summit working dinner Monday, when they were seated next to each other. “I told him that the Japan-U.S. alliance is extremely important and that we are in the process of making efforts toward resolving the Futenma relocation issue,” Hatoyama told reporters afterward. “I said we will settle it by the end of May.” “It is unlikely that the Obama administration will throw a lifeline to Hatoyama,” said Asano Kazuhiro, a professor at Sapporo University. “That means he will be unable to resolve the Futenma issue and will have to step down.” (Yasumoto Mariko, Kyodo, “Hatoyama Looks Vulnerable after Fruitless U.S. Trip,” Japan Times, April 15, 2010)

The United States will investigate why the Korean warship Cheonan sank near the disputed border with North Korea three weeks ago before seeking to jumpstart nuclear talks with Pyongyang. “Let’s find out what happened in the sinking of the corvette,” Assistant Secretary of State for East Asian and Pacific affairs Kurt Campbell said when asked by reporters in Washington on Wednesday to comment on moves to revive six-nation talks to end North Korea’s nuclear weapons drive. “At this juncture, we told our South Korean friends that our primary objective is to work with them on the recovery of the ship and at that point, we will be able to make some judgments about the way forward.” (Kim So-hyun, “Cheonan Probe Comes before Nuke Talks: U.S.,” Korea Herald, April 15, 2010)

KCNA: “A military commentator Saturday issued an article disclosing the truth about the “story about linkage with the north” floated by the South Korean group of traitors. There occurred an accident in which ‘Chonan,’ 1,400 ton-warship of the south Korean puppet navy, sank all of a sudden in the waters between Paekryong Island and Taechong Island in the West Sea of Korea at night of March 26, the article said, and went on: Though the sunken large ship belongs to the south side, we have so far regarded the accident as a regretful accident that should not happen in the light of the fact that many missing persons and most of rescued members of the crew are fellow countrymen forced to live a tiresome life in the puppet army. Failing to probe the cause of the sinking of the ship, the puppet military warmongers, right-wing conservative politicians and the group of other traitors in South Korea are now foolishly seeking to link the accident with the north at any cost. At the outset of the accident the group asserted that no sign of intrusion of the north’ submarine was spotted by their so-called “water-tight” maritime caution and round-the-clock radar monitoring and sound detection system. But after making a U turn from their earlier stand that there should be no foregone conclusion as regards the accident, the group started floating the “story about the linkage with the north.” Traitor Lee Myung-bak said that one should not carelessly utter that the north is linked with the accident at its beginning. But from some days ago he began making a spate of accusations against the north while blustering that it is necessary to “probe the accident without a shred of suspicion on the premise of the possible linkage with the north”, “thoroughly cope with the movement of the north” and “South Korea will resolutely counter” the north if the cause of the accident is finally confirmed. The gentries of “Chongwadae,” though they
asserted that “there was slim possibility of the north’s attack,” are now taking an attitude that they are not ruling out the “story about the linkage with the north,” jabbering that the testimonies of the survivors and the conditions of the sunken ship suggest a large possibility that the ship was hit hard from outside. The military warmongers are getting more undisguised in their moves to link the accident with the north though it was caused by their fault. Disclosing the aim sought by the group in the above-said behavior, the article continued: It is prompted by its ulterior intention to get rid of the worst ruling crisis caused by the "state management failure." If public opinion is built to claim that the accident occurred due to “an internal factor” and its cause is not properly clarified, the group of traitors will be held directly responsible for it and, accordingly, will not be able to escape a heavy defeat in the forthcoming "June 2 local elections". This will lead to the split of the conservative camp including the "Grand National Party" and the weakening of its ruling power, throwing the group into an inescapable predicament. Another sinister aim sought by the puppet regime in floating the above-said story is to justify the persistent and anachronistic policy towards the DPRK and shirk the blame for having driven the inter-Korean relations to the worst crisis. It is a well-known fact that from the outset of its office the group of traitors has persistently pursued the inter-Korean confrontation, insisting that “the north dismantle its nukes first.” People from all walks of life in South Korea are now becoming evermore vocal critical of the wrong policy pursued by the group towards the north, blatantly challenging the demand of the times and the desire of the nation. It is against this backdrop that the group is hyping the “story about linkage with the north’ in a bid to flee from the responsibility for having deteriorated the north-south relations and justify their mean policy toward the north with the sinking of its warship as a momentum. The ruckus kicked up by the puppet authorities while peddling the story is designed to stir up the atmosphere of international sanctions against the north and increase pressure upon it in various aspects. The group of traitors is zealously supporting its American master in his moves to bring down the system in the DPRK, while trying to give impression that the U.S.-led sanctions are proving effective. This group is making desperate efforts to block the general advance of the north toward the eminence of a great prosperous and powerful nation. Herein lies another sinister aim sought by the group of traitors in floating the nonsensical ‘story about the linkage with the north.’ It is a trite trick of the stupid to hatch plots and stoop to any infamy under that pretext whenever they are driven into a tight corner. The group of traitors would be well advised to face up to the trend of the times and refrain from uttering any word as it pleases. “ (KCNA, “Truth About S. Korean Puppet Regime’s ‘Story About Linkage With North’ Disclosed,” April 17, 2010)

Ri Ki Song, a professor at the Institute of Economics, a part of North Korea’s Academy of Social Sciences, acknowledged during an interview today that the North’s currency revaluation of last November had caused some instability to unfold across the country. Professor Ri emphasized during an interview in Pyongyang with Kyodo, “there was some temporary unrest in some areas . . . but there was absolutely no social upheaval and unstable situations were immediately controlled.” Regarding foreign media reports of the currency reform, Ri stated that the articles did not reflect the reality of the situation, and that the reforms had not destabilized the North Korean society. These comments were in line with those he made on April 1, when he stated at an
APTN press conference, “Many people outside of North Korea have been noisily prattling on about problems emerging during exchange rate fluctuations, but there is no social unrest of the kind they speak of.” He explained that some instability had occurred because price controls and other measures had not immediately followed the revaluation, and that “markets did not open for a few days [after the currency reform],” acknowledging that preparations for the measures had been insufficient. He also explained that following the currency reform, North Korean authorities had taken steps such as reducing prices on some foods and slashing unproductive expenditures. The government also encouraged women to take up jobs in light industry and in the service sector, and repaired the transport system. In an effort to develop the economy in 2010, the North Korean government boosted the budgets for the light industrial sector by 10.1 percent, and that of agriculture by 9.4 percent. Professor Ri went on to say that authorities had reduced the price of a kilogram of rice from 40 won to 24 won, had lowered the price of eggs to 8 won, and had cut the prices on cooking oil and soap, as well. He added that this trend will continue for the near future. The currency revaluation, the first of its kind since 1992, was aimed primarily at increasing the value of the North’s money and harnessing inflation, but despite the reform, the government is still managing foreign exchange rates. While keeping exchange rates under control, Ri stated that authorities could still adjust the value of the won, depending on economic developments as well as other domestic and international conditions.”

(Institute for Far Eastern Studies [Seoul], “DPRK Economist: Currency Reform Caused Instability,” April 20, 2010) Professor Ri Ki Song, Economic Institute of the Academy of Social Sciences, a DPRK think tank, said that “redenomination was intended to curb inflation, enhance currency values and create a favorable environment for economic management, and it was also aimed at stabilization and improvement of the people’s livelihood by supplying goods through a systematic national distribution system.” He said, “Price adjustments and other related measures were not implemented quickly enough, and there was a situation where [North Korea] could not open the market for several days.” But he took issue with “some Western reports that did not reflect what actually happened.” Ri noted that “In the early days immediately after the currency change, market prices were not fixed, so markets were closed for some days, but now all markets are open, and people are buying daily necessities in the markets.” (Kyodo, “North Korea’s Redenomination Was Temporarily Unstable,” April 18, 2010)

Korea plans its second attempt to put its domestically made satellite into orbit, June 9 at its space center in Goheung, South Jeolla Province. The same type of Russian rocket as in the first failed attempt in August will be used in the upcoming launch. The Ministry of Education, Science and Technology said the Korea Space Launch Vehicle-1 (KSLV-1) is scheduled to take off between 16:30-18:40, if the weather conditions are good at the Naro Space Center, located 485 kilometers south of Seoul. (Kim Tong-hyung, “Korea Plans to Launch Space Rocket June 9,” Korea Times, April 19, 2010)

President Lee Myung-bak said yesterday that he believed North Korea should “gather its senses,” referring to its recent extravagant display of fireworks to celebrate the birthday of the country’s founder. “I heard that North Korea spent some 6 billion won to set off fireworks all night when its people are suffering,” Lee said during a meeting with members of a presidential advisory group on inter-Korean affairs in Cheong Wa
Dae. “Think how much corn they could have bought with that money. I believe North Korea should take the right path.” Lee also said that Pyongyang imported high-end cars and gave them as presents to senior government officials. “I have no intention to unite with North Korea by force or economic power,” Lee told the advisors based in North America. “What is imperative is to help North Korean economy stand on its own and keep peace between the two countries. Unification will follow then.” Also yesterday, the president asked for political parties’ cooperation in the aftermath of the Cheonan disaster during a meeting with party leaders, six weeks ahead of the June 2 local elections. Rep. Lee Hoi-chang of the Liberty Forward Party, Rep. Chung Sye-kyun of the Democratic Party and Rep. Chung Mong-joon of the ruling Grand National Party were invited to the presidential office for a luncheon meeting with the president. “In addition to taking part in the probe, we asked them to sign the investigation report to help raise international credibility of the investigation,” Lee was quoted as saying by his spokesman Park Sun-kyoo. “It has been confirmed that it was caused by an external explosion and the investigators are now trying to collect possible fragments of a torpedo or a sea mine for scientific analysis.” The president said it would be clarified not long before whether North Korea was involved. Regarding possible reprehension of top military officials amid public criticism over the slow reporting and alleged attempts to obscure the salvage operation, Lee said he is considering the right timing. “I don’t think now is the right time to talk about reprimanding those who are responsible (for the slow response),” he said. “We will look into when would be a good time in terms of national security and how we should go about it without damaging military morale.” The president also denied some opposition lawmakers’ claims that the government is trying to use the Cheonan case politically. “If I were to use the case politically, wouldn’t (the government) have said it seemed like North Korea did it from the beginning?” he said, according to Park. “We are trying to be very careful in finding the truth, so I hope the opposition parties understand that.” LFP leader Lee Hoi-chang suggested launching a governmental investigation into the “Kumyang 98” fishing boat that sank on April 2 while returning from a search for clues to the Cheonan disaster. Rep. Lee also called on the government to hold a funeral for the dead crew members of the Kumyang. The president said that it would be done. (Kim So-hyun, “Lee Says N.K. Should ‘Gather Senses,’” Korea Herald, April 20, 2010)
exposed during National Intelligence Service interviews upon their arrivals in the South. During follow-up interrogation, the two men confessed their mission to assassinate Hwang, prosecution sources said. Prosecution sources said the two men had attempted to kill themselves during interrogation. They are being watched around the clock to prevent suicide, the source said. (Lee Chul-jae and Ser Myo-ja, “North Korean Spies Caught,” JoongAng Ilbo, April 20, 2010)

Korea and the U.S. have agreed to delay Washington’s transfer of wartime operational command to Seoul that had been scheduled for April 2012, a high-ranking South Korean official said. The delay is likely to be announced at a strategic meeting of the foreign and defense ministers of the two countries as early as June in Seoul. “The White House finished its review of Korea’s request for the delay and decided to accept. Under such an agreement, the two countries are discussing detailed follow-up measures,” the official said. “I understand that unlike the White House, the U.S. Defense Department still opposes the delay.” The official added, “The two countries reached an agreement in principle, but discussions are necessary on details such as whether the agreed implementation plan for the transfer should be replaced with a new plan or the agreed plan will be postponed, and if so, how long. In addition, who will pay the additional costs of the delay should be also discussed.” (Dong-A Ilbo, “Korea, U.S. Agree to Delay Command Transfer,” April 21, 2010)

DPRK Foreign Ministry memorandum on the nuclear issue of the Korean Peninsula: “[It] underscored the need to get a correct understanding of how nuclearization started on the peninsula and what was the root cause of it if a solution to the denuclearization of the peninsula is to be found with proper understanding of its essence. According to the memorandum, no nation in the world has been exposed to the nuclear threat so directly and for so long time as the Koreans. Koreans were the second biggest victims of the U.S. A-bomb attacks on Hiroshima and Nagasaki next to Japanese as they directly suffered from them. … It worked hard to remove the U.S nuclear threat by means of establishing a nuclear-free zone through peaceful dialogue and negotiation at the first phase and made similar efforts on the strength of international law at the second phase. All these efforts, however, proved futile. The last and only option was to react to ‘nukes with nukes.’ The extreme nuclear threat of the U.S. persistently compelled the DPRK to have access to nukes. … Consistent is the stand of the DPRK government to build a lasting peace regime on the peninsula and denuclearize it, the memorandum says, and continues: The process of denuclearization of the Korean Peninsula clarified in the September 19 Joint Statement adopted at the six-party talks in 2005 called for totally eliminating substantial nuclear threats posed to the peninsula from outside in a verifiable manner, thereby turning the whole Korean Peninsula into a nuclear-free zone on that basis. The denuclearization presupposes confidence-building. An earlier conclusion of a peace treaty on the Korean Peninsula still in the state of ceasefire would help build confidence needed for denuclearization as early as possible. The mission of the nuclear armed forces of the DPRK is to deter and repulse aggression and attack on the country and the nation till the nuclear weapons are eliminated from the peninsula and the rest of the world. The DPRK has invariably maintained the policy not to use nuclear weapons against non-nuclear states or threaten them with nukes as long as they do not join nuclear weapons states
in invading or attacking it. The DPRK has a willingness to join the international efforts for nuclear non-proliferation and on nuclear material security on an equal footing with other nuclear weapons states. **It will manufacture nukes as much as it deems necessary but will neither participate in nuclear arms race nor produce them more than it feels necessary.** It will join the international nuclear disarmament efforts with an equal stand with other nuclear weapons states. The DPRK will as ever make consistent efforts for the denuclearization of the world including the Korean Peninsula, regardless of whether the six-party talks are resumed or not.” (KCNA, “Foreign Ministry Issues Memorandum on N-Issue,” April 21, 2010) Full version of DPRK FM memorandum: “The construction of a nuclear-free world is mankind’s ardent wish that has been maintained from the 20th century to the 21st century. **The denuclearization of the Korean peninsula is a part of global denuclearization.** The Six-Party Talks have been held over the past years for the denuclearization of the Korean peninsula, but the talks are currently facing grave obstacles without producing results that are worth a mention. Along with the deep-seated distrust among the parties concerned, the main reason is because some countries participating in the talks are seriously distorting the essence of the issue for their sinister objectives. If the essence of the denuclearization of the Korean peninsula is to be precisely understood and if the way of its realization is to be correctly found, it is essential to correctly realize the initial circumstances and causes of the nuclearization of the Korean peninsula. 1. The Most Serious Nuclear Victim in the World Never has there been such a nation in the world as the Korean nation that has suffered nuclear threat most directly and for the longest period. **For our people, nuclear threat is by no means an abstract concept but a realistic and concrete experience.** Our nation is the one that directly sustained the damage caused in Hiroshima and Nagasaki by the United States’ nuclear attacks, and it is the nation that suffered the most casualties there, only next to the Japanese. For the people that directly experienced the horrible catastrophes of atomic bombs, the atomic bomb blackmail that the United States wielded during the days of the Korean war was literally a nightmare. After US President Truman on 30 November 1950 openly mentioned the use of atomic bombs on the Korean front, an order was given on the same day to the US Strategic Air Command on “Maintaining a standby status to fly bombers to immediately drop atomic bombs in the Far East.” In December of the same year, [Douglas] MacArthur, Commander of the US Forces Far East, let loose an outburst, “A radioactive corridor will be created from the East Sea [Sea of Japan] to the West Sea [Yellow Sea] of the northern region of Korea. In this region living things will not be able to resurrect over the next 60 years or 120 years.” Because of the United States’ nuclear blackmail, the rows of “atomic bomb refugees” were created to flow from north to south of the Korean peninsula during the war. When entire family members were unable to leave together, many families forced their husbands or sons to evacuate to the South with only the desire to maintain their family bloodlines. Millions of the “separated families” created through this course are still living divided in the North and the South of the Korean peninsula. The United States is the ringleader who was the first to bring nuclear weapons into the Korean peninsula. When the retention of the pro-US regime was jeopardized, as the anti-nuclear campaign was escalating in Japan in the late 1950s, the United States moved the nuclear weapons deployed in Japan to South Korea. In 1957, the United States’ first strategic nuclear weapons were brought from Japan into South Korea and deployed there. In the end,
the United States nuclearized the Korean peninsula in place of the “denuclearization” of Japan. The United States’ deployment of nuclear weapons in South Korea constantly built up, and the number of nuclear weapons reached over approximately 1,000 in the mid 1970s. From the late 1960s, the United States began to stage joint military exercises to actually use the nuclear weapons deployed in South Korea in a war of aggression against our Republic. The US-South Korea joint nuclear war exercise – which began with the “Focus Retina” operations in 1969 – has ceaselessly continued every year since then for such a long, long period of 40-odd years, while its name being changed to “Freedom Bolt,” “Team Spirit,” “Reception, Staging, Onward Movement, and Integration [RSOI],” “Key Resolve,” “Foal Eagle,” and “Ulchi Freedom Guardian,” and the like. It is precisely a stark nuclear reality of the Korean peninsula that even the post-war generations have grown in this way while inhaling nuclear powder odor as the targets of the US nuclear weapons that are deployed in South Korea for a real war.

2. The Effort That the Government of the Republic Has Made To Remove US Nuclear Threat

The DPRK’s effort aimed at removing the United States’ nuclear threat has been made in three stages. In the first stage, the government of the Republic made an effort to remove the United States’ nuclear threat by the method of creating a denuclearized zone through peaceful dialogue and negotiations. In 1959, it [government of the Republic] proposed to establish an atomic bomb-free peace zone in Asia; in 1981, it put forth a proposal for the establishment of a denuclearized zone in Northeast Asia; and in 1986, it proposed to turn the Korean peninsula into a non-nuclear-weapon region and made an active effort for its implementation. On 10 January 1984, it proposed the convening of three-party talks – the talks in which the South Korean authorities, too, would participate in the DPRK-US talks to be held to remove the danger of a nuclear war; and in a government statement released on 23 June 1986 it solemnly declared that it would not test, produce, store, or introduce nuclear weapons, would not allow any military bases, including foreign nuclear bases, and would not allow the transit of foreign nuclear weapons via its territorial land, territorial airspace, and territorial waters. Nevertheless, the United States has escalated the nuclear threat to us while ignoring all our efforts exerted to create a non-nuclear-weapon region in the Korean peninsula.

In the second stage, the government of the Republic combined efforts to remove the United States’ nuclear threat based on international law. In 1978, the depositary states of the NPT – the United States, the former Soviet Union, and the United Kingdom – issued, though conditional, a “non-use of nuclear weapons” statement stating that they would not use nuclear weapons against the non-nuclear-weapons states that joined the treaty. The DPRK joined the treaty in December 1985 with a hope that this would help the removal of the United States’ nuclear threat to us. When the United States made a pledge that it would discontinue the “Team Spirit” nuclear war exercise, we, based on the relevant NPT clause, actively helped the aperiodic inspections that the IAEA conducted six times during the period of May 1992 through February 1993. Nevertheless, the United States, by instigating the sinister forces in the agency while talking about the so-called “suspicion about nuclear development,” fabricated a “resolution for special inspection” targeting not only our nuclear facilities but even our sensitive military targets, even before the completion of the agency’s aperiodic inspections based on the safeguard agreement. Since then, the brigandish nature of such a mandatory inspection was completely laid bare through
the Iraqi situation. Under the pretext of inspection, the United States combed even the Iraqi Presidential Palace and concocted the “intelligence” that there are weapons of mass destruction in Iraq in order to use it as an excuse to carry out military strikes. Later on, it was revealed to the whole world that the “intelligence” that Iraq has weapons of mass destruction was a groundless fabrication, but it was too late; it was already after the country collapsed, and the nation had become submerged in a sea of blood. In order to impose a “special inspection” on us, the United States blatantly perpetrated nuclear threat by even resuming the “Team Spirit” joint military exercise that it already suspended. After all, it was impossible to stop the United States’ high-handedness even with the international treaty, and it had become clear that the treaty was actually being abused as a tool to justify the United States’ coercion. Based on Article 10 of the NPT, the DPRK on 12 March 1993 declared its withdrawal from the NPT for the defense of the country’s sovereignty and security and informed the depository states of the fact. Then, when the United States responded for DPRK-US talks, it [DPRK] took measures to unilaterally and temporarily suspend the effectuation of its withdrawal from the NPT – through the DPRK-US joint statement on 11 June 1993 – while DPRK-US talks were underway. On 21 October 1994 during the Clinton administration, the “DPRK-US Agreed Framework” was adopted to resolve the nuclear issue of the Korean peninsula, but the United States unilaterally scrapped it when the Bush administration was inaugurated. In the “State of the Union Address” on 30 January 2002, the Bush administration even called us part of an “axis of evil.” The harboring of such hostility toward a country by the world’s largest nuclear power state means the greatest nuclear threat to that country. In particular, when the United States announced in March in that year the “Nuclear Posture Review [NPR],” which included us in the “targets for preemptive nuclear strikes,” the security of our country and nation was placed in extremely grave jeopardy of nuclear catastrophes. It had become clear that the effort made through dialogue and the effort exerted based on international law all ended up in smoke. The unique situation on the Korean peninsula, which could be found nowhere else in the world, required a special measure for a solution. The only and last option was to counter “nuclear weapons with nuclear weapons.” With the most serious nuclear threat, the United States was persistently compelling us to possess nuclear weapons. On 10 January 2003, the government of the Republic took a resolute, self-defensive measure of completely withdrawing from the NPT by bringing into effect the withdrawal from it, which it had suspended for 10 years. After delivering itself from the treaty, it [the government of the Republic] turned in the direction of legally and stately weaponizing the entire amount of the plutonium produced in the course of producing electricity from a pilot atomic power plant. It conducted the first nuclear test in October 2006, three years after its withdrawal from the treaty, and the second nuclear test in May 2009. By this, the state of nuclear imbalance in Northeast Asia where nuclear weapons and nuclear umbrellas were packed and where only the DPRK remained as a nuclear vacuum zone was brought to an end. By the deterrence effect provided by the Republic’s possession of nuclear weapons, the danger of the outbreak of a war has noticeably reduced. This is precisely the effort made on the current stage to remove the nuclear threat not through pleas only in words but by deterring the United States’ nuclear weapons with our nuclear weapons. 3. DPRK’s Nuclear Policy The position of the government of the Republic to establish a solid peace regime on the Korean peninsula and achieve denuclearization
there remains unchanged. The denuclearization of the Korean peninsula – which was pointed out in the 19 September Joint Statement that the Six-Party Talks adopted and announced in 2005 – is the course of turning the entire Korean peninsula into a nuclear-free zone by completely removing in a verifiable manner the existing nuclear threat from outside to the Korean peninsula. Realizing denuclearization requires confidence-building. On the Korean peninsula, which is still in a state of the ceasefire, the sooner a peace agreement is concluded, the quicker the confidence necessary for denuclearization will be built. **The mission of the nuclear forces of the DPRK is to deter and repel aggression and attack against the country and the nation until the denuclearization of the Korean peninsula and the world is realized.** The DPRK is invariably maintaining the policy **not to use nuclear weapons against non-nuclear states or threaten them with nuclear weapons as long as they do not join the act of invading or attacking us** in conspiracy with nuclear weapons states. We are ready to **join the international efforts for nuclear non-proliferation and for the safe management of nuclear materials on an equal footing with other nuclear weapons states. We will produce as many nuclear weapons as we need but will neither join the nuclear arms race nor produce more nuclear weapons than is necessary, and we will join the international efforts for nuclear disarmament on an equal footing with other nuclear weapons states. Regardless of whether the Six-Party Talks are resumed or not, the DPRK, as in the past, will continue to make a consistent effort in the future as well for the denuclearization of the Korean peninsula and in the rest of the world.** (KCNA, “Memorandum of the DPRK Ministry of Foreign Affairs – The Korean Peninsula and Nuclear Weapons,” April 21, 2010) [FM response to Nuclear Posture Review, including paraphrases of some of its language]

President Lee Myung-bak gave a sharp slap to North Korea in an unusually candid remark yesterday. “I believe North Korea should sober up,” Lee said in his meeting with National Unification Advisory Council members at the Blue House. “The North Korean people are suffering hardships, but the authorities spent 6 billion won for fireworks to celebrate the birthday [of North Korean founder Kim Il Sung]. Think about how much corn the country could buy with that money.” Lee also criticized the North Korean leadership for “importing luxurious vehicles and providing them as gifts to [senior leaders].” The president said he has no intention to unite the two Koreas with force or economic power. “What’s more urgent than unification is making North Korea become economically independent,” he said. “It’s more important that the two Koreas maintain peace. Then [unification] will come.” (Ser Myo-ja, “Lee Tells North, ‘Sober up,’” JoongAng Ilbo, April 21, 2010)

South Korea will not ask the United States to redeploy nuclear weapons on the peninsula despite North Korea’s tactics to become a nuclear state. “That will never be an option to convince North Korea to give up its nuclear ambitions,” Minister of Foreign Affairs and Trade Yu Myung-hwan said at a forum in Seoul. Redeployment of nuclear weapons should be carried out within the framework of global security and in that regard, policy coordination with the United States as part of its global nuclear strategy is crucial, he said. “President Barack Obama has pledged to work toward a ‘world free of nuclear weapons,’” he said. “We should press North Korea by using
international politics.” (Jung Sung-ki, “Seoul Won’t Ask U.S. to Redeploy Nukes,” Korea Times, April 21, 2010)

4/22/10

Breaking nearly a month of silence, China this week called the sinking of the Cheonan “a tragedy” and hoped for a thorough investigation. China’s FoMin spokeswoman Jiang Yu on April 20 called the incident “a tragedy” and said China had already sent condolences through bilateral channels. “We take note that [South Korea] plans to carry out scientific and objective investigation and believe the issue will be properly handled,” Jiang said, according to the English-language transcript posted on the ministry’s Web site. Zhang Xinsen, Chinese ambassador to Seoul, met with South Korean journalists on April 22 for the first time since he arrived in late March. He sent condolences to the victims’ families and called the sinking “an unfortunate incident.” Zhang evaded a question about what China would do if North Korea is found responsible. “I understand South Korea is cooperating with other countries in carrying out the probe,” the ambassador said. “It’s China’s hope that this matter will be handled properly. The stability and peace on the Korean Peninsula also corresponds to the interests of other [neighboring] countries.” China took time to comment on the incident because of its ties to North Korea, analysts said, which is suspected in South Korea of having attacked the Cheonan. There was public disgruntlement in Korea over China’s silence, compared to quick condolences from the United States and Japan. “China used a neutral term like ‘unfortunate incident’ but they could’ve expressed the sentiment much earlier,” a diplomatic source said yesterday. “China was too conscious of North Korea and probably erred on the side of caution.” Hours before Jiang made her comments, South Korean FM Yu Myung-hwan was asked about China’s silence during his monthly press conference. Yu said China had sent condolences through diplomatic channels and he believed China was being extra careful “because this wasn’t an ordinary event and it involved a warship.” Both Zhang and Jiang called for “proper” handling of the investigation. Another source interpreted the comments as suggesting that Seoul shouldn’t accuse North Korea of an attack before obtaining convincing evidence or take “improper” steps such as military action. Discussing inter-Korean relations, Zhang said both Koreas are friendly to China and that China supports inter-Korean dialogue for the sake of stability and peace on the peninsula. When asked if China would still support dialogue if North Korea turns out to be responsible for the Cheonan sinking, Zhang said, “That’s not an accurate interpretation. I am trying to make a point that no diplomatic achievement would be possible without exhaustive negotiations and communication.” (Yoo Jee-ho and Kang Chan-ho, “After Delay, China Calls Cheonan a ‘Tragedy,’” JoongAng Ilbo, April 23, 2010)

4/23/10

North Korea said Friday it will seize five South Korean facilities at a mountain resort on its soil, and will either take over ownership itself or turn them over to a new tourism business partner. The North also said all other South Korean assets at Mount Kumgang will be frozen and that all South Korean employees at the resort will be deported. The measures were seen as aimed at pressuring Seoul to resume the suspended mountain tour program that had been a source of foreign currency for Pyongyang. Seoul quickly rejected the move, calling it a violation of contracts between the two Koreas. “We cannot accept the measures as they are in violation of contracts between North Korea and our businesses, agreements between the governments and of international laws. It
is an unjust step that undermines the very foundation of South-North relations,” an official at Seoul’s unification ministry told reporters. The North’s move comes at the end of a two-day inspection by North Korean military officials of the mountain resort, where dozens of South Korean businesses and private investors own various facilities that are part of the suspended tourism program. The five facilities to be seized include a family reunion center, funded and owned by Seoul’s National Red Cross, as well as a fire station and a duty free shop. Pyongyang froze the assets on April 13 after an on-site inspection by its officials late last month. The latest inspection ended today. “First, we will confiscate all five assets of the South Korean authorities that have already been frozen in compensation for our loss due to the long suspension of the tour,” an unidentified spokesman for the General Guidance Bureau for the Development of Scenic Spots said in a statement carried by the North’s official Korean Central News Agency. (Yonhap, “N. Korea to Seize Frozen S. Korean Assets at Mount Kumgang,” April 23, 2010)

The Japanese government indicated today that it would broadly accept a plan to relocate a U.S. Marine Corps base on Okinawa, a move that could ease months of discord between the two allies, U.S. and Japanese officials said. FM Okada Katsuya presented U.S. Ambassador John V. Roos with a proposal to settle the dispute, telling him that Japan was moving toward accepting significant parts of a 2006 deal to move the Futenma air station from the center of a city of 92,000 to a less populated part of Okinawa, the sources said, speaking on the condition of anonymity because of the sensitivity of the issue. Okada, however, suggested some changes, including altering the design of the runway at the new air station, planned for the town of Henoko, and moving parts of the Marine Corps facility to an island about 100 miles from Okinawa, the sources said. U.S. officials said they were pleased by the proposal but stressed that it was a first step and that Japanese officials would be providing more details next week. The meeting at the U.S. Embassy in Tokyo marked the first significant good news in a relationship that has been marked by strain, mistrust and befuddlement on both sides ever since a new Japanese government took charge in September after a historic election — only the second time since the 1950s that an opposition party has taken power. (John Pomfret, “Japan Moves to Settle Dispute with U.S. over Okinawa Base Relocation,” Washington Post, April 24, 2010, p. A-1)

Scott Snyder: Given the strategic value of access to Rajin-Sonbong port facilities for China’s booming northeastern provinces, it would be natural for China to seek maritime access to the East Sea/Sea of Japan regardless of the UN resolution—or perhaps as part of a package of inducements designed to bring North Korea back to the Six Party Talks. South Korean experts indicate that about half of North Korea’s total foreign trade in 2008 was with China, of which about 76 percent was with the three northeast provinces (Korea Times, November 25, 2009). According to Jilin provincial leaders, North Korea was Jilin’s fourth biggest trade partner in 2008, when the Jilin-North Korea trade volume of $770 million accounted for 28 percent of China-DPRK trade (South China Morning Post, November 17, 2009). Official statistics show that Jilin’s GDP grew an annual 13 percent to 720.3 billion RMB in 2009 despite the crisis, with a 16 percent increase in foreign investment and growth in foreign trade to $11.75 billion (China Daily, February 12). China now has its own capital to invest in the port, in
contrast to the situation in the 1990s. North Korea’s financial distress provides an
opportunity for China to gain strategic access at bargain prices. North Korea has once
again tried to involve Russia in a competition with China for access to the port by
pursuing deals with both sides simultaneously. In addition, North Korea’s offer of such
a prize, if successful, provides an opportunity to evade the negative effects of the UN
Security Council resolution on the North Korean economy. UN sanctions constitute a
potential new obstacle to North Korea’s trade in specific illicit items, and the half-dozen
interdictions that have occurred under the resolution have diminished the reliability of
North Korean supply for potential buyers of such exports from North Korea. Kim Jong
Il’s visit and a recent confirmation of a deal with North Korea by Jilin provincial
authorities suggests that trade and investment in Rajin-Sonbong is a priority of the
central government in Pyongyang. The emergence of the North Korean Taepung
Investment Group (with apparent state backing but posing as a private entity) would
be a natural interlocutor with Chinese state-owned enterprises, and the establishment
of a North Korean State Development Bank, further suggest that Rajin’s opening to
trade and investment is being driven by DPRK central government authorities who
naturally would seek involvement with central-level counterparts in China (Chosun Ilbo
[South Korea], March 3). Initially established in Hong Kong in 2006, Taepung was
reportedly involved in joint deals in 2007 with China’s state-owned Tangshan Iron and
Steel and Datang Power, which is directly managed by the CPC Central Committee, to
build plants in North Korea’s Kimchaek Industrial District (NK Brief No. 10-01-22-1,
January 22). The Chuangli Company is reported as the Chinese company that has
contracted to develop Rajin’s port number one, reportedly for a period of only ten
years, while Russian investors have been offered a fifty-year deal to develop the
second of Rajin’s five berths. In the future, the Rajin port can become a logistics hub for
northeastern China through which initial plans are to export Chinese coal to Southeast
Asia and Japan (Global Times Online, March 10). During Kim’s December visit to the
Rason Daeheung Trade Company, he reportedly stressed the importance of export
growth. The Korean Central News Agency reported Kim as saying that “it is very
important to abide by the principle of the credit-first policy in foreign trade” and that
Kim urged workers to observe, “export discipline and improve the quality of goods”
(Yonhap News Agency [South Korea], December 24, 2009). Early this year, the
Presidium of the Supreme People’s Assembly designated Rason as a “special city,”
reaffirming the central government’s direct interest in Rajin-Sonbong’s economic
potential (The Daily NK [South Korea], January 6). Rajin’s provincial leadership has
been replaced by a team led by former Minister for Foreign Trade Rim Kyung-man,
signaling the central government’s interest in successful management of the port
(Chosun Ilbo; March 9). No doubt, the appointment also reflects high expectations
regarding the level of capital that can be extracted by opening the port to foreign
investment. How the PRC central government handles Rajin-Sonbong may provide
additional needed leverage to drive a financially hurting regime back to the
negotiating table, or it may provide the North Koreans with a lifeline that sustains the
leadership and provides it with the capacity to avoid necessary reforms. Given that
many Chinese private firms recognize the risks of investing in North Korea under the
current regime, a central government decision to invest in the Rajin-Sonbong is likely
to be aimed more at perpetuating the status quo than at achieving the regime
transformation necessary to promote North Korea’s economic integration into the
4/24/10 Two former presidents yesterday added their voices to the chorus of suspicion of North Korean involvement in the sinking of the Navy corvette Cheonan, as Kim Young-sam and Chun Doo Hwan talked to President Lee Myung-bak about their experience of armed provocations from Pyongyang. The former leaders urged Lee to take stern countermeasures if the North is proved to be behind the disaster, and to seek Beijing's cooperation, the Blue House reported. (Ser Myo-ja, “3 Presidents Mull National Security,” JoongAng Ilbo, April 24, 2010)

4/25/10 North Korea and China are making final arrangements for a visit by North Korean leader Kim Jong-il to China from late April to early May, diplomatic sources said. Palestinian President Mahmoud Abbas plans to hold talks with Kim in China when Abbas visits the country on April 30, the sources said. Abbas plans to attend the opening ceremony of the World Expo in Shanghai that day. If Abbas were to be able to meet Kim in Beijing, Kim’s visit to China would have to be around this time. A source familiar with North Korean affairs said Kim’s third son and possible heir Kim Jong-un may accompany the leader to China. A delegation of the Workers’ Party of Korea arrived in Beijing on Thursday, received by the Chinese Communist Party’s International Department. (Kyodo, “N. Korea’s Kim Likely to Visit China from Late April to Early May,” April 24, 2010)

KCNA: “General Secretary Kim Jong Il visited the command of KPA Unit 586 and congratulated servicepersons there on the occasion of the 78th birthday of the KPA. … He was accompanied by KPA Vice Marshal Kim Yong Chun, vice-chairman of the NDC of the DPRK and minister of the People’s Armed Forces, KPA General Ri Yong Ho, chief of the General Staff of the KPA, KPA General Kim Jong Gak, member of the NDC of the DPRK and first vice director of the General Political Bureau of the KPA, and other commanding officers of the army.” (KCNA, “Kim Jong-il Pays Congratulatory Visit to KPA,” April 25, 2010)

Kim Jong-il visited a naval base in Nampo on November 10, immediately after his country lost a skirmish near Daecheong Island, and called for “modernization of warfare strategy and equipment” to “regain strength at sea.” Kim is quoted as making the remarks by North Korean naval officer Kim Kwang-il of a naval unit identified only by the number 587 in a documentary by the North’s official Korean Central Television celebrating the People’s Army’s anniversary on April 25, 2010. KCNA, 17 days after the skirmish, reported that Kim visited Unit 587 along with other senior officials including Minister of the People’s Armed Forces Kim Yong-chun, the first vice-director of the People’s Army’s General Political Department, Kim Jong-gak, and Ri Yong-ho, the chief of the Army’s General Staff. “Kim Jong-il proposed tasks to strengthen naval power,” it said but did not elaborate. (Chosun Ilbo, “Kim Jong-il Called for Stronger Navy after Defeat in Skirmish,” May 6, 2010) Following North Korea’s crushing defeat by the South in last year’s skirmish in the Yellow Sea, Kim Jong-il, directed its navy to intensify training “to raise heroes for do-or-die squads at sea,” North Korea’s media reported May 4, 2010. “Do the comrades know why I visit this unit frequently?” the navy officer
quoted Kim Jong-il as saying after he observed a training session. “It’s because I trust you the most.” “The supreme commander visited our unit at dawn and boarded a naval vessel” Kim Kwang-il said. “He also instructed us to upgrade the warships’ weapons systems and combat technologies to meet the needs of modern-day warfare.” (Lee Young-jong and Ser Myo-ja, “Fleet Officer Says Kim Intensified Navy Training after Nov. 10 Defeat,” JoongAng Ilbo, May 6, 2010)

4/26/10 “Some of the recent dialogue between U.S. and Japan and some of the proposals that we are now looking at are encouraging,” Asst SecState Kurt Campbell told Kyodo on the eve of a two-day visit to Japan. PM Hatoyama said the government is focusing on alleviation of the burden of hosting U.S. military forces and the removal of safety risks posted by the Futenma base in order to settle the dispute by his self-imposed deadline of the end of May. Campbell, who was in Hong Kong for a conference, said the United States and Japan are discussing “relocating substantial elements of U.S. forces out of highly and densely populated areas, moving some capacities out of Okinawa and also further steps towards easing noise and other operational issues.” Yesterday, about 90,000 local residents and politicians, including Okinawa Gov. Nakaima Hirokazu, gathered in Yomitan to call for the relocation of the Futenma base outside the prefecture, which hosts the bulk of U.S. forces in Japan. (Kyodo, “Campbell Calls Japan Proposals on Futenma Relocation ‘Encouraging,’” April 26, 2010)

4/27/10 North Korea began freezing privately owned South Korean assets at a joint mountain resort on Tuesday as planned, officials here said, a move certain to press Seoul to consider harsh retaliation. Sheets denoting “freeze” were plastered on shops inside four buildings at the Mount Kumgang resort on the east while South Koreans who used to run them looked on, Unification Ministry spokeswoman Lee Jong-joo said. “The work ended in a little more than an hour,” she told reporters, adding the freeze affected 25 companies that ran a restaurant, a karaoke bar, a souvenir shop and others. She added adding North Korea plans to freeze more South Korean assets, including hotels and a golf course, over the next few days. (Sam Kim, “N. Korea Begins Freezing S. Korean Assets at Joint Mountain Resort,” April 27, 2010)

4/28/10 DoS Briefing: “Q: Some State Department official said they - it will suspend efforts to get the North Korean back to the Six-Party Talks pending the result of South Korean sinking navy ships. Is that the position - the State Department position on Six-Party Talks currently? CROWLEY: Well, I wouldn’t necessarily link those directly. The investigation on the ship sinking continues. As we’ve said from this podium and elsewhere, we’ll be - we’ll draw conclusions once we understand what the investigation discovers. We want to see North Korea come back to the Six-Party process. We’re committed to this with our partners. But clearly, provocative actions that North Korea takes has an impact on the broader environment. So I wouldn’t predict anything going forward. Let’s - on the investigation itself, let’s find out and conclude what is responsible for the sinking of the ship, and we’ll draw implications from that. Q: The military officials - U.S. military officials are saying that it was not an internal explosion; that it was an external explosion that caused the sub to sink. I’m sorry, that caused the South Korean ship to sink. So now that they know it’s not a boiler, there was obviously some kind of explosive device that - I guess what I don’t understand is what’s taken so
long to determine that there was some sort of offensive action here that sunk the ship?  

**CROWLEY:** Well, I mean, I’m not aware that the investigation has arrived at the destination that you described. But for argument’s sake, if it was an external explosion, what was it and where did it come from? Again, these are all things that have to be investigated, and once we understand more about what actually happened, we’ll draw the appropriate conclusions.  

**Q:** Is anybody thinking of any foul play or any kind of terrorism?  

**CROWLEY:** That’s all part of the investigation. Ships don’t normally sink of their own accord; they can occasionally. But that’s one of the reasons why we are supporting the South Korean effort. The ship has been raised and we should be able to answer these questions in time.” (Assistant Secretary Philip J. Crowley, DoS Daily Press Briefing, April 28, 2010)

South Korea will engage in prior consultations with China and Russia in referring last month’s deadly warship sinking to the United Nations, a ranking official here said, as North Korea increasingly became a suspect in the naval disaster. Seoul will also inform the two countries, traditional allies of the North, of the results of its investigation into the sinking of Cheonan and seek their support in actions against those responsible, the official said. “There is a need to adequately brief China and Russia (before taking the issue to the U.N. Security Council) because, unlike the United States, the countries are not directly involved in the investigation and may have different security interests,” the official told reporters. China’s new ambassador Zhang Xinsen met with Foreign Minister Yu Myung-hwan. Following their official meeting, Yu and the Chinese diplomat held private talks unattended by others, during which the two are believed to have discussed sensitive issues such as the Cheonan tragedy. Russian ambassador Konstantin Vnukov met with Seoul’s chief nuclear envoy to North Korea denuclearization talks, Wi Sung-lac. An official said the two discussed the “investigation into the sinking of Cheonan and the measures that will follow.” Seoul has yet to find any definitive evidence, such as debris from a torpedo, believed to be a likely cause of the explosion, to prove North Korea’s involvement. But some say circumstantial evidence points to the communist regime. “The damaged ship itself is hard evidence,” the official said, implying that an external explosion suggests an attack. Both the stern and bow of the broken ship have been salvaged and are now under close examination by a joint investigation team, consisting of officials and experts from South Korea, the United States, Australia, Britain and Sweden. Photos and three-dimensional images of the ship’s wreckage will soon be sent to U.S. naval labs for thorough analysis, officials here said. (Byun Duk-kun, “Seoul Seeks Support of China, Russia to Refer Warship Sinking to U.N.,” Yonhap, April 28, 2010)

North Korea’s No. 2 leader has met with World Health Organization chief Margaret Chan. Chan arrived in Pyongyang on April 26, becoming the U.N. agency’s first chief to visit the communist country since 2001. KCNA said in a brief dispatch that Kim Yong Nam spoke with Chan at Pyongyang’s Mansudae Assembly Hall. Details of the conversation were not released. Chan and North Korean health officials yesterday held the formal inaugural ceremony for a medical videoconference network aimed at giving smaller, rural hospitals access to specialists in Pyongyang. WHO has been providing cameras, computers and other equipment to help North Korea launch the system.
A visit by North Korean leader Kim Jong Il to China slated to take place from late April to early May has been postponed, sources familiar with North Korea-China relations said. (Kyodo, “Kim Jong-il Visit to China Slated for Late April Postponed: Sources,” April 29, 2010)

U.S. Secretary of State Hillary Clinton spoke with her Chinese counterpart about the efforts to resume the stalled six-party talks on North Korea’s denuclearization, amid speculation of the North’s involvement in the sinking of a South Korean Navy vessel. During a “lengthy” phone conversation, Clinton and Chinese State Councilor Dai Bingguo discussed issues regarding North Korea as well as Iran, State Department spokesman Philip Crowley told reporters. The two “talked about our ongoing engagement regarding a new U.N. Security Council resolution on Iran, and they also discussed mutual efforts to get North Korea back to the six-party process,” Crowley said. (Kim Young-jin, “U.S., China FM’s Discuss N. Korea,” Korea Times, April 30, 2010)

Pyongyang ordered most personnel at South Korean facilities in the Mt. Kumgang resort. According to a Ministry of Unification spokesman, a senior North Korean tourism official told Hyundai Asan, the South Korean operator of the cross border tours, that 64 of the 80 personnel working at the facilities must leave no later than 10 a.m. May 3. Twelve workers from Hyundai Asan and four from a golf course operator will be allowed to stay, reportedly as a means to maintain channels of communication. (Kim Young-jin, “N.K. Expels Most Workers from Mt. Kumgang,” Korea Times, April 30, 2010)

Tomorrow, President Lee Myung-bak will travel to China under growing pressure at home to make the case for crucial Chinese support for tough international sanctions against North Korea if, as is widely expected, the North is found responsible for the sinking of a South Korean ship. But he is unlikely to win that support, experts say, a reflection of China’s growing role in the Korean Peninsula. Since taking office in 2008, Lee has wound down his predecessors’ “sunshine policy” of aid and engagement with the North, heightening Chinese fears of instability and driving the North into China’s economic embrace. Ultimately, that could give Beijing greater leverage in determining the fate of the northern half of the Korean Peninsula, a situation that many South Koreans would consider to be a nightmare. “China’s influence has become so important that we can almost say that it can now claim the first and last piece of the apple on the Korean Peninsula,” said Lee Byong-chul, a senior fellow at the Institute for Peace and Cooperation in Seoul, using a Korean saying to suggest that China can have whatever it wants. Even conservatives, who have usually opposed aid to the North, warn of North Korea’s becoming a “Chinese colony” whenever reports circulate of Chinese companies taking over North Korean ports and mines at bargain prices. Those fears are undoubtedly overblown, but they contain a kernel of truth, experts say. South Korea’s concern “about China’s rising dominance over North Korea in economic terms is well founded,” said John Delury, associate director of the Center on U.S.-China
Relations at the Asia Society in New York. “However, I think it’s the result of Lee Myung-bak’s decision to let the sunshine policy unravel, rather than a strategic plot by China to ‘colonize’ North Korea economically.” China, which supplies an estimated 70 percent of North Korea’s trade, is the one country that can provide the necessary economic pressure to push the isolated North to the brink of collapse – or, as Washington, Seoul and Tokyo hope, press it to agree to concessions over its nuclear weapons program. But Beijing is always going to be wary of stronger sanctions. It fears an implosion in North Korea that could release a flood of refugees across its border or put it under pressure to intervene militarily should South Korea and the United States move into the North to seize its nuclear arsenal and build a Western-leaning, unified Korea on China’s border. Its paramount concern regarding North Korea is to preserve stability, more than to punish it for truculent behavior or persuade it to give up its nuclear weapons. “China is more interested in maintaining the status quo and avoiding instability, and believes that more trade will help to keep things from falling apart in North Korea,” said David Straub, a North Korea specialist at the Shorenstein Asia-Pacific Research Center at Stanford who was formerly a senior State Department official who specialized in Northeast Asian affairs. Jin Jingyi, a Chinese specialist on Korean affairs at Peking University, said that the sinking of the South Korean ship had highlighted the weakness of Lee’s position. “The fact that South Korea keeps talking about international cooperation with China and others shows that Lee Myung-bak has lost the initiative in inter-Korean relations,” Jin said. “China will be very cautious,” he continued. “It won’t think pressuring the North will help solve the problem.” China, which seeks to enhance stability and reduce economic risk in the region, would like to see better inter-Korean relations, experts say. “China would probably rather share the burden of economic engagement with the South, but if necessary, it will hold its ground as North Korea’s sole economic outlet,” said Delury. “The resource-hungry, stability-centric, sanctions-averse Chinese will continue filling the void left by the dismantling of inter-Korean cooperation. China, for its part, knows that the Koreans historically have never been pliant neighbors and that North Korea is an unreliable place to invest. China reportedly has complained to the North about its aid trains “disappearing” inside the North, apparently stolen and torn apart. “Despite their public rhetoric about the closeness of their ties, officials in both China and North Korea each tell even American officials how much they dislike the other,” said Straub. “North Korean officials have on numerous occasions suggested to American officials that it would be in the interests of our two countries to have a strategic relationship – to counter China.” (Choe Sang-hun, “China Gains Influence in Korean Affairs as North and South Warily Seek Its Help,” New York Times, April 29, 2010, p. A-8)

Public support for PM Hatoyama’s government fell below 30 percent for the first time since its launch last September to stand at 20.7 percent, a Kyodo telephone survey conducted yesterday and today found. The approval rate declined 12.3 percentage points from the previous survey conducted April 3 and 4. The disapproval rate rose 11.1 points to 64.4 percent. Hatoyama’s “lack of leadership” was mentioned by 40.7 percent -- the largest segment -- of the respondents who disapprove of his Cabinet. As many as 83.8 percent of the survey respondents said Ozawa should leave his post, up 2.4 points, while 10.3 percent said he should remain in the DPJ’s No. 2 position, down 4.2 points. As for the issue of relocating the U.S. Marines’ Futemma Air Station in
Okinawa Prefecture, 54.4 percent said Hatoyama should step down if he fails to settle the matter by the self-imposed end-of-May deadline, a 7.3-point increase from the previous survey, while 39.2 percent said there is no need for him to step down, down 6.1 points. The support rate for the DPJ was down 6.2 points to 24.1 percent, while it edged up 0.7 point to 18.7 percent for the main opposition Liberal Democratic Party. Your Party, which was formed by reformists before the general election held last August, saw public support rise above 10 percent for the first time at 11.5 percent, while 29.0 percent said they have no specific party to support. Support stood at 3.1 percent for the New Komeito party, 2.7 percent for the Japanese Communist Party, 1.6 percent each for the Social Democratic Party and Masuzoe’s Shinto Kaikaku, and 1.3 percent for the Sunrise Party of Japan. Asked who was best suited to prime minister, former Health, Labor and Welfare Minister Masuzoe Yoichi remained on top of the list. But support for him slipped from 22.4 percent to 18.3 percent in the first survey conducted after he left the LDP and announced the launch of a new party. Maehara Seiji, minister of land, infrastructure, transport and tourism, surged into second with 10.6 percent. Maehara, who is in an anti-Ozawa group within the DPJ, had just 4.9 percent support in the previous poll. (Kyodo, “Approval for PM Hatoyama’s Cabinet Plunges to 20.7%: Kyodo Poll,” April 29, 2010)

South Korean President Lee Myung-bak and Chinese President Hu Jintao had “serious discussions” on last month’s deadly sinking of the South Korean warship Cheonan, which officials said laid the groundwork for cooperation for on a joint response to the tragedy as suspicions grow against North Korea. “The two leaders had serious discussions on the Cheonan incident,” Lee Dong-kwan, senior secretary for public affairs at Cheong Wa Dae, told reporters. “Today’s South Korea-China summit was the (fastening of the) first button for formal consultations (between the two sides on the matter).” Chinese Foreign Minister Yang Jiechi and Premier Wen Jiabao are scheduled to visit South Korea next month for separate meetings also involving Japan, he pointed out. The Chinese leader also noted South Korea’s “scientific and objective” investigation into the case that is still underway, the secretary added. The South Korean president told Hu that “all of South Korea’s 50 million people take the incident seriously,” briefing him on the results of a preliminary probe that indicate the 1,200-ton patrol ship was broken in half and sank from a “non-contact” explosion. The secretary said the president deliberately used the expression of “50 million people” to underscore the depth of the nation’s sadness and furor over the naval tragedy. Forty-six of the 104 sailors aboard the Cheonan were killed.

“President Lee promised to first inform China of the results of the investigation once it is completed and appealed for its interest and cooperation,” the secretary said. (Lee Chi-dong, “S. Korean, Chinese Leaders Open Consultations over Ship Sinking,” Yonhap, April 30, 2010) [Xinhua’s report made no mention of the Cheonan]

Kim Yong Nam, president of the Presidium of the DPRK Supreme People’s Assembly, who is heading the delegation of the DPRK on a visit to China to participate in the opening ceremony of the 2010 Shanghai World Expo, met and had a talk with Hu Jintao, general-secretary of the Central Committee of the Communist Party of China and president of the People’s Republic of China, in Shanghai. (KCNA, “Kim Yong-nam Meets Chinese President,” April 30, 2010)
The United States agrees with Seoul’s move to take the sinking of a South Korean warship to the U.N. Security Council even if an ongoing investigation into the case does not provide any hard evidence proving who is responsible, an informed diplomatic source here said Sunday. “We want to show our support to our Korean allies and show to the international community that an action like this is not without consequence,” the foreign diplomatic source said. The source noted the joint investigation into the sinking may very well end with only “ambiguous” or circumstantial evidences, but said that will only make it harder, not impossible, to prosecute who is responsible.

“If it’s an ambiguous outcome, it makes it a more diplomatically and militarily difficult challenge ... But the Security Council is not a U.S. code of law. It is not an ROK code of law. The security council makes political judgments.” The source also said the U.S., at least for now, will likely refuse to hold any dialogue with North Korea for the resumption of six-way negotiations aimed at denuclearizing the communist nation, though it continues to urge Pyongyang to recommit itself to its denuclearization efforts. “I think we need a little bit of a pause in efforts to restart the six-party talks.” The source said there are other measures South Korea and the U.S. will take in regard to the Cheonan tragedy. “The U.S. military, especially the navy, is prepared to work with the ROK navy to make sure their ships up there (near the border with North Korea in the Yellow Sea) don’t have such things happen to them.” (Byun Duk-kun, “U.S. Sees Need for U.N. Action on Sinking of S. Korean Warship,” Yonhap, May 2, 2010)

Israeli President Shimon Peres is accusing North Korea of smuggling missiles to Iran. Peres says North Korea has become a “duty free for long-range missiles and nuclear weapons.” He says some of the weaponry flows to Iran and from there to militants in Lebanon and Syria, though he provided no proof. (Associated Press, “Peres Says North Korea Smuggling Arms to Iran,” May 2, 2010)

A next-generation missile interceptor being co-developed by Japan and the United States would not be able to take out U.S.-bound North Korean long-range ballistic missiles flying over Japan, senior Defense Ministry officials said. This is because the 200-300 kilometer range of the interceptor, dubbed the Standard Missile 3 Block 2A, would not allow an Aegis-equipped ship deployed off Japan to target high-flying missiles, the officials told Kyodo. The outlook could affect debate in Japan over whether to exercise the constitutionally banned right of collective self-defense so as to shoot down U.S.-bound missiles flying over the country. An advanced version of the SM-3, the SM-3 Block 2A, will have a longer range and higher targeting accuracy. The United States plans to begin deploying it in 2018. (Kyodo, “Planned Defense Seen Unable to Destroy U.S.-Bound N. Korean Missiles,” May 3, 2010)

A number of observers are saying that First Vice Foreign Minister Shin Kak-soo’s decision to summon Chinese Ambassador to South Korea Zhang Xinsen on May 3 to protest China’s acceptance of Kim’s visit essentially constitutes diplomatic interference. Diplomatic customs limit the ability of officials to summon an ambassador to issue strong protests over an issue pertaining to its own nation. Several factors appear to be at work in this exceptional “clash diplomacy” of the South Korean government. To begin, it appears the Lee Myung-bak administration, while firmly believing the warship
Cheonan was sunk by the North Koreans, has taken China’s acceptance of the visit as a move to excuse North Korea’s role in the sinking. Many point out, however, that the Lee administration’s protests to the Chinese government without an official announcement that the sinking was committed by North Korea is illogical. Moreover, the North Korea-China relationship is a “third-party relationship” in which the South Korean government cannot interfere. A second factor behind the protest seems to be hurt feelings that Seoul was not informed ahead of time of Kim’s visit despite the fact that President Lee Myung-bak and Chinese President Hu Jintao held a summit during their attendance of the opening of the Shanghai Expo. A key Cheong Wa Dae (the presidential office in South Korea or Blue House) official did not hide his disquiet, but told reporters Tuesday in a straightforward manner that China did not mention anything to South Korea. Analysts are also saying, however, that the administration’s response is due to its ignorance of the special relationship between North Korea and China. The North Korea-China relationship is close to an alliance in blood, comparable to the South Korea-U.S. alliance. Moreover, the Chinese government has never informed a neighboring nation beforehand of an upcoming visit by Kim. Chinese Foreign Ministry spokeswoman Jiang Yu stated during a regular briefing Tuesday that she had no new information to share, refusing to confirm Kim’s visit. Some are also viewing the Lee administration’s response as a rebirth of Cold War diplomacy. One expert in diplomacy said the Lee administration’s response is almost the first of its kind since the diplomacy of inter-Korean confrontation disappeared from the international stage with the Roh Tae-woo administration’s July 7 Declaration that professed an open policy towards socialist nations, including North Korea, and brought back feelings of the Cold War of the 1970s and 1980s. Another irregularity was the decision to open the first 10 minutes of the meeting Tuesday between Unification Minister Hyun In-taek and Chinese Ambassador Zhang to the media. Diplomatic practice during these meetings is to open the floor to the media for just the first two to three minutes, merely enough time for a normal report. Accordingly, a number of analysts are saying that Hyun’s decision to take a stance that seemed to pressure the Chinese government as he stressed the need for a “responsible role by China” as reporters looked on was an intentional statement made with the press in mind. Hyun also mistakenly referenced the “CheonanMUN satae” (“The Tienanmen Square Incident”) rather than then “CheonanHAM satae” (“The Warship Cheonan Incident”). This was an act of diplomatic discourtesy that is not light in its implications. Chinese embassy charge d'affaires Xing Haiming, who attended the meeting, straightly said the comment went too far, giving a glimpse of insight into the feelings of Chinese officials. Among diplomats in Beijing, there is criticism that the Lee Myung-bak administration is making “strategic mistakes,” having been embarrassed by Kim’s visit just four days after it exaggerated for domestic political purposes Chinese President Hu Jintao comments about the Cheonan made April 30. At the time, the Cheong Wa Dae (the presidential office in South Korea or Blue House) promoted Hu’s comments, made during his meeting with President Lee, that expressed condolences for the sinking of the Cheonan and stressed the need for a scientific and transparent investigation as a virtual statement of support for the position faced by the South Korean government. The Chinese press, however, did give any coverage of Hu’s comments at the summit regarding the sinking of the Cheonan. This is being interpreted as reflecting a decision not to convey the appearance of siding with South Korea. On the other hand, the Chinese state-run
media did report that Hu met the same day with Kim Yong Nam, president of the Presidium of North Korea's Supreme People's Assembly, and said the two would support each other and cooperate on the international stage. Experts say that South Korean diplomacy could isolate Seoul if it remains engrossed with connecting the sinking of the Cheonan with six-party talks. (Hankyore, “S. Korea-China Relationship on the Brink,” May 5, 2010)

North Korean leader Kim Jong-il is believed to have arrived in the Chinese port city of Dalian after crossing the border into China by train early this morning, sources in Seoul and Beijing said. “We have confirmed the arrival of a special train at Dandong, and we believe it is highly likely that Chairman Kim was on board,” an official in Seoul said, referring to the North Korean leader by his official title as the head of the National Defense Commission. A convoy of 15 limousines was later seen arriving at a hotel in Dalian, shortly after the North Korean train arrived. Traffic in the city was halted for nearly an hour until the convoy arrived at the hotel. South Korean Foreign Minister Yu Myung-hwan earlier said his country will oppose resuming the nuclear negotiations if the communist North is found to have been involved in the sinking of the 1,200-ton warship, Cheonan, because the North “must be made to pay for its actions.” (Sam Kim, “N. Korean Leader Believed to Be in China: Official,” Yonhap, May 3, 2010) Analysts say China is not expected to agree to increase economic or food aid without movement from North Korea on the stalled six-party talks, the on-and-off denuclearization negotiations that lost steam early last year. “Whenever North Korea is having troubles with other countries, it always plays the China card,” said Zhang Liangui, retired professor at the Institute of International Strategic Studies at the Party School of the Central Committee. “That makes the U.S. and South Korea nervous. But it will just as easily play the China card with the U.S. later on. This visit is nothing more than a diplomatic tactic, a kind of performance. It’s not really about the real issues on the table.” (Lauren Keane, “North Korea’s Kim Jong-il Arrives in China, amid Internal, External Tensions,” Washington Post, May 4, 2010, p. A-12) North Korean leader Kim Jong-il arrived in Beijing March 5, after making a stopover at the nearby port city of Tianjin. Video clips showed him dragging his left foot as he walked. His left arm appeared almost motionless. He also appeared to have lost weight and hair, suggesting to some experts the effects of kidney dialysis, which South Korean intelligence analysts say he has been undergoing for some time. Kim met with Chinese President Hu Jintao on the night of May 5 and with Premier Wen Jiabao on May 6, according to South Korea media. In Beijing, a Foreign Ministry spokeswoman told reporters May 6 that she had “no information which can be offered to you” on Kim’s whereabouts. Asked about the South Korean ship, the spokeswoman said “the visit of [North Korea’s] leader and the navy ship accident are two separate issues. It is a Chinese sovereign right to decide which country’s leaders are allowed to visit China.” (Blaine Harden, “Media Report Kim Jong-il’s Visit to Beijing: China Won’t Confirm,” Washington Post, May 6, 2010) According to Xinhua, Wen Jiabao told Kim Jong-il that “China, as always will support North Korean efforts to develop its economy and improve its people's livelihood and is willing to introduce North Korea to the experience of China’s reform and opening-up and construction.” (Lee Kwangho, “Kim Jong-il’s Five-Day Trip to China,” Vantage Point, June 2010, p. 4) North Korean leader Kim Jong Il vowed in talks with Chinese President Hu Jintao this week in Beijing to
“work with China to create favorable conditions for restarting the six-party talks” on his country’s nuclear programs, China’s Xinhua News Agency reported. Kim and Hu agreed in their meeting Wednesday that relevant parties in the six-party talks should “demonstrate sincerity and make positive efforts for pushing forward the talks,” which North Korea quit last year, Xinhua said. Kim told Hu that North Korea “remains unchanged in sticking to denuclearization on the Korean Peninsula,” according to Xinhua. In a separate meeting, Chinese Premier Wen Jiabao encouraged Kim to “make joint efforts to major cooperative efforts, quicken the infrastructure construction in border areas and explore new cooperative fields and methods,” the Chinese news agency said. Wen was quoted as telling him that China will support North Korea in developing its economy and is willing to share China’s experiences with reform and opening-up initiatives. Meanwhile, diplomatic sources said Kim, aboard a special train that left Beijing Station around 4:30 p.m. Thursday, stopped at Liaoning’s capital Shenyang on his way back to Pyongyang. (Kyodo, “Kim Vows to Create ‘Favorable Conditions’ for Resuming Talks,” May 7, 2010) China urged Friday to separate the China tour of Kim Jong Il, top leader of the Democratic People’s Republic of Korea (DPRK), from the sinking of a Republic of Korea (ROK) warship amid complaints about its alleged different treatment towards the two countries. Both the ROK and the DPRK are China’s important close neighbors, and to develop good-neighborly friendship with neighboring nations is China’s persistent policy, said FoMin spokeswoman Jiang Yu. Jiang made the remarks when answering a journalist’s question about the comment that China displayed partiality by welcoming Kim before the conclusion of the probe into the warship sinking, in which the DPRK was doubted by some to be involved. The DPRK has firmly denied its involvement. Jiang said Kim’s unofficial visit to China from May 3 to 7 was arranged long before, and the visit and the sinking of the corvette Cheonan were two separate events. “Before the complete fact is found, each side should keep calm and practise restraint, and be cautious on words and deeds,” Jiang said. (Xinhua, “China Urges Separation of Kim’s Visit, Warship Sinking amid ‘Partiality’ Criticism,” May 7, 2010) Top leader of the Democratic People’s Republic of Korea (DPRK) Kim Jong Il paid an unofficial visit to China from May 3 to 7, pledging his country is committed to denuclearization on the Korean Peninsula. The DPRK remains unchanged in sticking to denuclearization on the Korean Peninsula, Kim, general secretary of the Workers’ Party of Korea, told Chinese President Hu Jintao in Beijing. The two leaders agreed that the peace, stability, prosperity on the Peninsula is in line with the common interests of China, the DPRK and the Northeast Asian countries, and the two sides will make joint efforts for denuclearization on the Peninsula in accordance with the joint statement the six parties involved in the nuclear talks released on Sept. 19, 2005. Kim, also chairman of the DPRK National Defense Commission, said the DPRK will work with China to create favorable conditions for restarting the six-party talks, which was launched in 2003 but hit a snag in April 2009 when Pyongyang pulled out of the talks in protest of the UN condemnation of its missile tests. (Xinhua, “Kim Visits China, Says NK Committed to Denuclearization,” May 7, 2010) At first glance, the North Korean report is no different than the version of China’s official Xinhua News Agency on Friday, but it makes no mention of Hu saying he wished to “bolster strategic communication about diplomatic matters and internal affairs” nor of Premier Wen Jiabao saying he wished to “introduce China’s experience in market-opening measures.” Instead, the North Korean media says that “each side
agreed to inform the other side of the situation in their own countries” and “China explained its economic development model.” Xinhua reported that Hu proposed exchange of dialogue between senior officials, strategic communication about internal affairs and diplomatic issues, economic cooperation, sports and cultural exchange programs and cooperation for peace and stability in Northeast Asia. “The most important principle of Chinese politics is to stay out of the internal affairs of another country,” said Kim Heung-kyu, a North Korea expert at the Institute of Foreign Affairs and National Security. “Using terms such as strategic communication involving matters of internal concern is tantamount to saying it wants to intervene in North Korea’s government.” (Chosun Ilbo, “N. Korea Cleans up Chinese Statements about Kim Jong-il’s Visit,” May 10, 2010) China told North Korean leader Kim Jong-il during his recent visit that it will respect international sanctions imposed on Pyongyang and refused to provide extraordinary economic assistance, an informed source here told the JoongAng Ilbo. According to the source, the Chinese government’s position prompted Kim to cut short his stay in China. “At the luncheon between Chinese Premier Wen Jiabao and Kim on May 6, the Chinese government informed the North that China will not provide aid outside the framework of the United Nations Security Council sanctions against Pyongyang,” the source said. “After Beijing’s position was explained, Kim shortened his schedule in China.” Kim’s trip in China lasted from May 2 to 7. Although sources said Kim was to attend the North Korean Pibada Opera Company’s performance of “A Dream of Red Mansions” with Chinese leaders on the evening of May 6, he canceled at the last minute and rushed home. Asahi Shimbun also published a similar report on May 15, quoting a South Korean government official. “There is a possibility that China had raised the issues of Kim’s successor and policies of opening up the country and reform,” the source was quoted as saying by the newspaper. “Then, Kim could have felt discontent.” Observers here said Kim’s recent trip to China appeared to be a failure and North Korea must do more - internationally and domestically - to win China’s assistance. “At least, both the sides seem quite stymied, and the visit highlights a distinctive rift between Beijing and Pyongyang,” Zhu Feng, professor at the Peking University’s School of International Studies and deputy director of Center for International and Strategic Studies at the university, wrote recently for the Asia Security Initiative of the MacArthur Foundation. “Kim is very economically motivated to see the Chinese open their wallet,” he said. At the end of the day, he said, China didn’t defer to North Korea for the sake of it returning to six-party talks on the shutting of its nuclear weapons program. “Unfortunately, the standoff will continue,” he said. (Chang Se-jeong and Ser Myo-ja, “Beijing’s Rebuff Made Kim Cut Visit Short,” JoongAng Ilbo, May 16, 2010)

The Obama administration is seeking to calm allies’ nerves about North Korea and Iran’s nuclear program, suggesting that Pyongyang is on good behavior and that Tehran is making slower progress than expected. A White House official said that Pyongyang was refraining from provocative acts - in contrast with last year, when it carried out nuclear and missile tests - and that Iran was suffering technical problems. “At least for now, the North Koreans are on good behavior, although nobody can predict how long that will last,” the official said. He added that Iran’s “nuclear clock has slowed down . . . they are not making dramatic technical progress given the difficulties they are facing in their [uranium] enrichment program and the fact that their efforts to
build secret facilities have been disclosed.” The remarks reflect Washington’s calculations that external pressures and domestic problems have constrained the North Korean program and that there is still time for sanctions to convince Iran to negotiate. But the Obama administration’s stance is not necessarily shared by Seoul—which is investigating whether the North sank a South Korean warship in March—or Israel, which depicts Iran’s nuclear program as an existential threat. The White House official suggested North Korea’s ambitions were being checked by factors such as Kim Jong-il’s efforts to pass on the leadership of the country to his youngest son and economic and financial difficulties. “They know that if they misbehave at this moment the Chinese may, if not cut them off, at least cut down on their largesse,” he added.

The North Korean leader is currently on a visit to China, his first for four years. (Daniel Dombey and Christian Oliver, “Washington Urges Calm on Iran and North Korea,” Financial Times, May 5, 2010, p. 2)

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Investigators have found traces of gunpowder in the wreckage of a sunken South Korean naval ship, a government official said, further bolstering suspicions of a North Korean attack. “A tiny amount of gunpowder ingredient was detected in the Cheonan’s hull, and a detailed analysis is under way,” a government official said on condition of anonymity. “It will be determined within this week whether this is from a torpedo or not.” Along with four pieces of aluminum collected from the scene earlier, the gunpowder adds to possible evidence of a torpedo attack. Aluminum is a key element used in making torpedoes, and officials said the aluminum found appears to be different from the ship’s structure. The official said the aluminum pieces were also under examination to determine whether they came from a torpedo. The sinking was a key topic at today’s talks between South Korean and U.S defense officials. “The two sides agreed to maintain close policy coordination and cooperation to work out necessary security measures according to the result of an investigation in the future to prevent this kind of incident from happening again,” the defense ministry said in a statement. It did not elaborate what the “necessary security measures” would be.

Michael Schiffer, deputy assistant secretary of defense for Asia and Pacific security affairs, represented the U.S. in the session of the Security Policy Initiative (SPI), while the South’s chief delegate was Chang Kwang-il, deputy defense minister for policy. (Chang Jae-soon, “Gunpowder Detected in Sunken Ship Wreckage,” Yonhap, May 6, 2010) According to a government official in Seoul, who spoke to reporters on the condition of anonymity, the joint military and civilian investigation team has found traces of RDX, one of the most powerful military explosives. “RDX is used in torpedoes, not sea mines,” the official said. “The traces were found in the Cheonan’s chimney and the damaged side of the stern.” Investigators are trying to determine whether the alloy was made in Germany, China or Russia. “It’s possible that North Korea may have used a German torpedo to disguise its attack, knowing that South Korea uses German torpedoes,” the official said. In a related development, Kim Hong-kyun, director of the South Korean Foreign Ministry’s bureau of the peace regime on the Korean Peninsula, and Joseph Donovan, U.S. principal deputy assistant secretary of state for East Asian and Pacific affairs, met yesterday in Seoul. Their meeting was largely focused on the handling of the Cheonan case, a ministry official said. (Yoo Jee-ho, “Cheonan Probe Finds RDX, Alloy Used in Torpedoes,” JoongAng Ilbo, May 8, 2010)
South Korea should develop a new strategy in dealing with North Korea, as evidence on the sinking of the Cheonan won’t change China’s engagement posture with the North, and the United States will also eventually want to move the stalled six-party nuclear talks forward, said a U.S. analyst on Korean affairs. Leon Sigal, director of the Northeast Asia Cooperative Security Project at the Social Science Research Council in New York, said while Washington stands by Seoul’s firm position of not taking part in the nuclear talks until it determines the cause for the sinking of the Cheonan, it doesn’t want its Asian ally to drag the disarmament negotiation process on for an extended period. “As far as the six-party nuclear talks are concerned, I do not think the U.S. will change its mind in the immediate future,” Sigal said in an interview with the Korea Times. Yet he added that the U.S. cannot wait for “months,” either. Officials in Seoul have said they will not take part in the six-party talks until they determine the cause of the ship’s destruction. Now, with the revived hope for a resumption following Kim’s visit to China in which he told the Chinese he would be willing to provide “favorable conditions” for the negotiations to happen, South Korea is concerned that the other parties, including its ally the U.S., will engage Pyongyang and move forward on the talks, leaving the South behind. Seoul also wants to take Pyongyang to the U.N. Security Council if it is proven that the North was responsible for the sinking of the Cheonan. The preparation and the ensuing resolution at the U.N. are expected to take weeks or even months. Sigal, who advised the U.S. government on “strategy dealing with North Korea” by testifying before the Senate Foreign Relations Committee last year, said there were two critical conditions that would enable South Korea to achieve its goal. “One, the investigation has to find unambiguous evidence -- unambiguous not in the minds of South Koreans but in the minds of Chinese and others. Secondly, the investigation cannot drag on forever. You cannot wait for months.” To persuade China, South Korea plans to provide “scientific and objective evidence” briefing it on the outcome of the investigation before it makes a public announcement. Sigal is pessimistic about this strategy. “There may be technical, forensic evidence in question, which is going to be very difficult to persuade China to act.” Yet more importantly, Sigal said, Beijing is ultimately predisposed not to add pressure on Pyongyang because doing so would go against China’s long-term strategy of engaging the North. “The premise of those who believe sanctions would work if China joins them is wrong because it’s not that country’s policy. It has never been a Chinese policy. And it won’t be affected by Cheonan, either,” he said. Sigal also said even if South Korea was successful in taking North Korea to the U.N. Security Council, any reaction there will be limited. “The U.N. isn’t going to say, ok you’re going to have a naval embargo or something like that. By the way, that’s the last thing you want to do, because by doing so, you will have more naval incidents in the West Sea and more dead bodies on both sides, not fewer,” Sigal said. If the U.N. metes out a lukewarm response, the U.S. will be in an awkward position of managing South Korea’s frustration, which might lead to a potential rift between the two allies. “If there is overreaction in South Korea, I think we could really get into trouble here,” Sigal said. He said punitive measures may satisfy Seoul’s longing to punish Pyongyang, but it may not change the latter’s behavior. “It will keep North Korea in a hole. Some people like that. But I think it’s not good for the long-term interest of South Korea or the United States. The South Korean government wants to show the North Koreans who’s tougher. This is the game South Korea is playing. The problem with that game is that it is the game of North Koreans. That’s
what North Koreans are good at.” Sigal knows the mounting pressure the Lee administration faces ahead of the local elections. “I understand he has to appease the right wing sector with the elections coming up in June. So, he has to argue for punishment, but he should argue for a very limited punitive gesture.” For Lee to do so would be very unpopular in large portions of South Korea right now. “But it’s very important for South Koreans to think very hard about not just easing the situation, but think about how they got into it and how they can get out of it. I know what the South Korean government wants to do. But punishment isn’t going to solve it,” he said. (Sunny Lee, “Evidence on Cheonan Won’t Change China’s Posture on N.K.,” Korea Times, May 11, 2010)

The head of South Korea’s new presidential commission on national security, Lee Sang-woo, said the government should delay the transfer of wartime operational control (OPCON) of the country’s troops from the U.S., scheduled for April 17, 2012. Although he said it is his personal view, his remarks add to repeated calls by conservatives here to renegotiate the date. “The OPCON should be transferred to us someday when we are capable of commanding a war independently. For now, however, it is right to delay the transition as (South Korea) is not ready yet partly because of the economic problem,” he told Yonhap. Lee has been appointed to lead the Commission for National Security Review, a 15-member ad hoc organization at Cheong Wa Dae composed of five civilian experts and 10 others with military backgrounds that was created after the March 26 sinking of a South Korean warship, tasked with reviewing South Korea’s defense posture and mapping out reform measures. (Yonhap, “Presidential Security Aide Says Delay in OPCON Transfer Necessary,” May 10, 2010)

A top U.S. official visiting Myanmar issued a strong warning against its military regime buying arms from North Korea in defiance of a U.N. embargo, and also said that Washington believes that its election plans lack legitimacy. Kurt Campbell, assistant secretary of state for East Asia, read a statement to the press as he prepared to leave Myanmar after holding nearly two hours of closed-door talks with detained opposition leader Aung San Suu Kyi, whose party was disbanded last week as a result of its refusal to register for the polls, slated for sometime this year. Campbell earlier held talks with several Cabinet ministers. The U.S. envoy issued what appeared to be Washington’s strongest warning to date concerning Myanmar’s arms purchases from North Korea, which some analysts suspect includes nuclear technology. A U.N. Security Council resolution bans all North Korean arms exports, authorizes member states to inspect North Korean sea, air and land cargo and requires them to seize and destroy any goods transported in violation of the sanctions. Campbell said that Myanmar leadership had agree to abide by the U.N. resolution, but that “recent developments” called into question its commitment. He said he sought the junta’s agreement to “a transparent process to assure the international community that Burma is abiding by its international commitments.” Campbell said, “Without such a process, the United States maintains the right to take independent action within the relevant frameworks established by the international community.” He did not explain what the new developments were or what action the U.S. might take, though it has in the past threatened to stop and search ships carrying suspicious cargo from Pyongyang.
The Ministry of National Defense announced it is considering a plan to resume psychological warfare against North Korea. This would include announcements to North Korea along the Military Demarcation Line (MDL) as a measure in response to the sinking of the Patrol Combat Corvette (PCC) Cheonan. Such broadcasts have been suspended since June 2004. There has been concern that if South Korea resumes loudspeaker broadcasts to North Korea, it could result in a seriously detrimental effect on inter-Korean relations as a whole. Defense Ministry spokesman Won Tae-jae said a working-level team was examining whether to restart psychological warfare against North Korea as part of research to cultivate various responses if the joint civilian-military investigation team looking into the sinking of the Cheonan finds that the ship was sunk by North Korea. He said the Defense Ministry plans to wait until the investigation results come out, and that nothing has yet been decided upon. Defense Minister Kim Tae-young reportedly directed the ministry last week to report how much time and money would be needed to restart the broadcasts. (Hankyore, “Defense Ministry Considers Resuming Psychological Warfare against N. Korea,” May 11, 2010)

North Korea claimed it successfully accomplished a nuclear fusion reaction to mark the birthday of late founder Kim Il Sung, and called the achievement “a breakthrough” toward developing new sources of energy. South Korean officials and scientists dismissed the report as “absurd,” but said the North Korean claim may have some political implications. Rodong Sinmun reported on the feat and it was carried by KCNA. “The successful nuclear fusion marks a great event that demonstrated the rapidly developing cutting-edge science and technology of the DPRK,” the report read, adding the North “made a definite breakthrough toward the development of new energy and opened up a new phase in the nation’s development of the latest science and technology.” It said the new energy source was like an “artificial sun.” South Korean officials with expertise in energy and civilian scientists were deeply skeptical of the claim. According to experts, nuclear fusion requires sophisticated technologies not yet developed by even the world’s most advanced nations. The International Atomic Energy Agency describes the building of fusion power plants “a great challenge” for the future. According to the IAEA, nuclear fusion occurs when two hydrogen nuclei collide at high speed and fuse together into a heavier nucleus. They release an enormous amount of energy in the process. The nuclear fusion takes place at about 100 million degrees Celsius (180 million degrees in Fahrenheit). One Foreign Ministry official with expertise in energy said yesterday the North Korean claim was “in a word, absurd.” “Nuclear fusion requires a major facility and as far as we know, there isn’t one in North Korea,” the official told reporters in a background briefing. “North Korean scientists probably did some small experiment or studied some related theory, and exaggerated these activities.” The official pointed out that the members of the International Thermonuclear Experimental Reactor, a nuclear fusion project, have given themselves about half a century to create a controlled nuclear fusion reaction. The seven members of the ITER are South Korea, the United States, the European Union, India, Japan, Russia and China. In 2006, they agreed to fund the building of a nuclear fusion reactor in France, and the South Korean official said the work would cost
about 5 billion euros ($6.35 billion). Lee Choon-geun, a researcher at the Science and Technology Policy Institute in Seoul, said North Korea has been researching nuclear fusion since the beginning of this decade. "But nuclear fusion is difficult to achieve in a laboratory setting," Lee said. "Some have claimed that they did it at room temperature but they were later refuted." (Yoo-Jee-ho, "North Claims Nuclear Fusion Breakthrough," JoongAng Ilbo, May 12, 2010) Right after North Korea claimed a successful nuclear fusion test on May 12, the northernmost radiation detection station of the [South] Korea Institute of Nuclear Safety detected an eightfold increase in the radioactive substance xenon, it emerged June 19. Since nuclear fusion is the core process in hydrogen bombs, there is speculation that the North actually ran a small-scale nuclear test to develop the technology at the time. On May 14, two days after the North's announcement, air analysis of KINS's radiation detection station in Geojin, Gangwon Province showed about eight times as much xenon as in ordinary times, a government official said. "Authorities concerned have concentrated on analyzing this," he added. Like krypton, xenon is a gaseous radioactive matter that is produced as a result of nuclear fission. It is regarded as the surest proof of a nuclear test because it does not interact chemically with other matters. A nuclear expert said fusion technology normally uses magnetic fields or laser beams to compress tritium. "But an atomic bomb is used to compress the tritium in hydrogen bombs. If xenon was detected, it must have been produced in such a process." (Chosun Ilbo, "Radioactivity Detected after N. Korean Nuclear Fusion Clam," June 21, 2010)

Steinberg: "I think the – our willingness to both engage and to offer the prospect of engagement with North Korea, but also to make clear that we have very clear expectations of what that engagement needs to produce has helped to build a strong international consensus both in support of diplomacy, but also in support of effective international measures where North Korea has turned its back on diplomacy. And I think that has paid off very substantially in the common actions we took along with China and the other members of the Security Council in response to North Korea’s missile tests last year and its nuclear - announced nuclear test last year which led to, I think, both swift and unprecedented degree of consensus among the remaining parties in the Six-Party Talks, and then at the Security Council, to move forward with new sanctions on North Korea which we believe are having a significant impact there. We obviously face a very challenging situation with the sinking of the Cheonan and it really underscores the precariousness of the situation on the Korean Peninsula. And I think that we all recognize that we need a thorough and complete investigation. No one is trying to hasten unduly the conclusions on this, but we are determined to pursue this thoroughly and to follow the facts where they point. And this will, in turn, have an impact on how we proceed in dealing with the challenge of North Korea and its actions, not only the nuclear front but in other provocative measures that it takes. And how we proceed is going to depend first on clarity on the cause of the sinking of the Cheonan, second a clear understanding by North Korea that it must live up to its international obligations on the nuclear weapons program, on abiding with UN Security Council resolutions, and more broadly ending its belligerent and threatening behavior towards its neighbors. Throughout this process, as I say, China has played an important and constructive role through the Six-Party Talks and in our engagements, both bilaterally and in New York. And now, we are engaged in an intensive discussion
with all of the key partners in the region, including China, on how to deal with this latest incident. And we very much hope that during this recent visit of Kim Jong-il to China that they had an opportunity to share with them their concerns about North Korea’s behavior and to make clear that we are watching very closely to see how events unfold in connection with the Cheonan. So that’s the first basket on security.

Q: Chris Nelson, Nelson Report. On the recently completed North Korea meeting, are you getting a sense that the Chinese are getting a little bit closer to seeing the U.S. argument that North Korea, as it is, is a strategic threat to China, or are they still trying to keep it going to somehow? And in that regard, as the Cheonan incident shows, regardless of who’s judged to be at fault ultimately, it does seem to have started a more considered discussion of the level of U.S.-South Korean military intelligence sharing, perhaps enlarged BMD, all that sort of thing. Do you think it’s correct to be thinking about an enhanced U.S. relationship with South Korea in the military and strategic sphere, leveraging that on Chinese progress in seeing our point of view on North Korea? Or is that - am I mixing apples and oranges, going too far with that?

STEINBERG: No problem. Let me kind of being with a few general observations and then - I think, first, I think I’ll let the Chinese speak for themselves in terms of their own assessment of the situation in North Korea and I’m sure they’ll have some things to say about that. But I would say, first, that there is a strong understanding that stability in the region is in the interest of all of the neighbors, and that’s a common interest; and that aspects of North Korea’s behavior, particularly their nuclear activities, is a threat to that stability; and that we have a common interest that binds the other five parties in the Six-Party Talks together to address that, as well as other risks of instability coming out of North Korea. And those are the subject of intense consultations both bilaterally and multilaterally among all of the various combinations and permutations in twos, threes, fours, and otherwise of the parties in the region. I think no country can feel entirely at ease with the situation in North Korea right now. We are looking for ways to work together to try to address that in ways that enhances the common security of all of North Korea’s neighbors. I think in terms of our engagement with South Korea - I mean, it's hard to imagine a much more enhanced capacity than the unique relationship that we have with South Korea, both on a political and a security level. I mean, the Combined Command is an almost unique example of two militaries that are deeply, deeply intertwined in dealing with the security challenges of the Korean Peninsula, and we work together in a remarkably united way together as two militaries to address those challenges. So whether we need to make specific adjustments in our posture or operations is something I’m sure we’ll all take a look at. But in the terms of the need to get closer, it’s just hard to imagine. And that extends not only to the operational day-to-day of the two militaries, but I think on the political level, beginning with our two presidents, I think the level of cooperation and consultation between the United States and the Republic of Korea now is unprecedented in my experience, which now isn’t as long as Jack Pritchard’s, but it goes back a ways. And I am really very encouraged and heartened by the degree to which we are working so closely together on a full range of issues, not just on the issues of stability on the Korean Peninsula but the strong contribution that South Korea’s making to our efforts in Afghanistan, its global commitment on piracy, and other issues. It really is a remarkably strong and important bilateral relationship, and so that’s why we’re working so closely together on the investigation of the Cheonan. It’s why we are consulting closely on all aspects of
the challenges on the Peninsula, and I’m confident that that close collaboration will
continue as we move forward. Q: Foster Klug with the Associated Press. You seem to
be willing in your speech to link the Cheonan incident to the future of nuclear talks. Is
there any other guidance you can give on what else the U.S. is prepared to do if, as
appears will happen, there’s some sort of linkage to North Korea with this attack?
STEINBERG: I’m going to resist all of those “ifs” in your question. We have made no
conclusions. We are continuing the investigation. We will do this thoroughly,
objectively, and in close cooperation, not just with the South Koreans but this is
actually a multinational effort with Australia, Norway, and others who are involved in
this. So this is not - I think it’s been very important that is a broad-based and very
objective assessment. And I don’t propose to speculate on how this will turn out,
because we don’t know yet and we really want the facts to lead us. But we won’t - at
the same time, we will follow the facts where they go and we’ll draw the conclusions
from the facts. But I do mean to say that we can’t be indifferent to this event. This was a
very - a deep tragedy for South Korea, and the people of South Korea are entitled to a
full - as full an explanation as possible as to what caused it. And we will work with them
to do that. And until we have clarity about this, I think it’s important for us to be careful
about how we move forward, leaving open any of the possibilities and without
prejudging what the possibilities of this investigation are. But I think right now is a time
to be prudent in terms of our actions going forward, and we’ve encouraged all sides to
be prudent in every respect until we know what the results of those investigations are.

…Q: I’m Teuan He, a correspondent from South Korean newspaper (inaudible) Ilbo.
I’m trying not to use the term “if,” but - (laughter) - (inaudible) the question. Once the
final investigation report by South Korean Government about (inaudible) finalized, can
the schedule, the transfer of 2012 (inaudible) can be rearranged, in your opinion?
STEINBERG: The only thing I want to say on that issue is that I don’t see any linkage
between the two issues. I think that we’ve had a long discussion and we will continue to
have a discussion about the command relationships on the Korean Peninsula. But I
would not see that whatever discussions we have or don’t have on that topic would be
influenced by this particular incident, however it comes out. I think that’s something -
we want to make sure that whatever command relations we have serve the interests of
our two countries and promotes stability on the Korean Peninsula.” Deputy SecState
James Steinberg, “U.S.-China Cooperation on Global Issues,” Brookings Institution,
May 11, 2010)

Hee-seog Kwon: “The precise status of the North’s uranium enrichment throughout this
period is unknown. But from a historical and technical standpoint, there is good reason
to believe that Pyongyang’s pursuit of an enrichment capability is part of a larger
pattern of deception. Despite the North’s claim to have a successful experimental
enrichment program, the program may turn out to be, at best, pilot scale, or at worst, a
ruse. Rather than attempting to build a production enrichment program, Pyongyang
may have embellished its nuclear capabilities to inflate the threat it poses and to add
one more negotiating card for future deals. ...Even if an aspiring nuclear weapon state
were to use HEU in an implosion-type device—the route taken by China for its first
nuclear test in 1964—the amount of HEU needed is still greater than the requisite
amount of plutonium, were a comparable design used. The London-based
International Institute for Strategic
Studies has assessed that North Korean weapons are based on a first-generation implosion design, the logical choice for states in the initial stage of nuclear weapon development. Therefore, Pyongyang would need 5–8 kilograms of weapon-grade plutonium or 20–25 kilograms of weapon-grade HEU for each implosion device. These estimates roughly correspond to the amounts of fissile material used by the nine current nuclear weapon states in their early designs. … Another likely technical disadvantage in North Korea’s pursuit of a uranium enrichment capability is that the larger missile payload resulting from a rudimentary HEU nuclear weapon would limit its range. In general terms, a plutonium bomb would offer Pyongyang a better chance of making a warhead small and light enough to be loaded onto its nascent long-range missile force. In short, the most efficient and cost-effective use of North Korean security resources would be for Pyongyang to invest in its existing reprocessing program. The North can support additional plutonium production for use in nuclear weapons, above and beyond the material it obtained from the recent reprocessing of 8,000 spent fuel rods. For instance, it could reconfigure and reload the inventory of fresh fuel stored in Yongbyon. Currently, Yongbyon contains 2,400 fuel rods configured for the complex’s 5-megawatt-electric reactor and an additional 12,400 fuel rods that are presently configured for the site’s nonfunctional 50-megawatt-electric reactor that could be easily converted into fuel for the smaller reactor. It also could restart construction of its 50- and 200-megawatt-electric plutonium-producing reactors, whose construction was suspended as part of the Agreed Framework. And it could excavate and mill more natural uranium to make additional fuel for its bomb-making complex. Yongbyon’s facilities are outdated and aging, but they are workable. …One plausible rationale that would explain North Korean development of a full-scale enrichment capability is that the North intends to use the capability as leverage in negotiations with the United States and other countries. But so far, Pyongyang has been able to extort benefits from its negotiating partners without the enrichment program being on the table. …That said, the countries negotiating with the North should be careful not to play into Pyongyang’s hands on the matter—i.e., buying the North Korean government off with aid or political compromises in exchange for concessions on a uranium enrichment program that is either incredibly nascent or a complete fabrication.” (Hee-seog Kwon, former director for nonproliferation and disarmament, ROK Foreign Ministry, “Negotiating with the North: Doubting Its Enrichment Claims,” Bulletin of the Atomic Scientists, May/June 2010, pp. 10-18)

The government is hoping that U.S. Secretary of State Hillary Clinton will visit around May 20, when the investigation of the sinking of the Navy corvette Cheonan is to be complete. Seoul apparently wants to show to the international community that it has closely cooperated with the U.S. in the aftermath of the sinking. When China accepted North Korean leader Kim Jong-il’s visit on May 3, some South Korean Foreign Ministry officials worried that a gulf could open in international cooperation to find the cause of the shipwreck. But now ministry officials are recently saying there was no big change in China’s attitude over the sinking despite Kim’s visit. “The U.S. and China don’t differ in their belief that it would be difficult to push for a resumption of the six-party nuclear talks before the outcome of the investigation into the sinking is out,” a government
The government is urging companies not to make new investments or establish joint businesses with North Korean firms outside the Gaeseong Industrial Complex in North Korea, a government official said. The move comes after the sinking of a South Korean Navy ship near the western maritime border on March 26, and Pyongyang’s confiscation and freezing of South Korean assets at the joint Mt. Geumgang tourist resort in the North last month. “The government has requested businessmen not to travel outside the Gaeseong Complex, especially in Pyongyang and refrain from signing new deals with North Korea,” Lee Jong-joo, spokeswoman for the Ministry of Unification said. The last approval for a business was given on March 12, 2009 to an IT company, which expressed its desire to develop software with Samcheonri General, a North Korean firm that has jointly produced a full 3D animation series with EBS and other South Korean firms. So far, the government has approved a total of 55 South Korean firms to operate outside the joint industrial park. The measure, however, does not apply to South Korean companies operating at the industrial complex, which opened in June 2004. About 120 South Korean companies operate at the complex in the North Korean border city of Gaeseong, though Seoul has approved more than 300 South Korean firms to run businesses there. Meanwhile, the spokeswoman confirmed that the government has recently urged companies not to send industrial resources to the reclusive regime as shaky inter-Korean relations continue while an investigation is underway over the sinking of the Cheonan. (Lee Tae-hoon, “Seoul Restricts New Ventures in N.K.,” Korea Times, May 14, 2010)

The delivery to North Korea of hepatitis vaccine to inoculate one million North Korean children and teenagers was abruptly canceled on May 14, when the Unification Ministry sent an official dispatch to government offices and ministries ordering the immediate halt of all North Korean projects funding from the government budget. The Unification Ministry was also confirmed to have notified private groups that it could not approve delivery of humanitarian aid items such as flour and bread that the groups were planning to send to North Korea. “On May 14, we had intended to deliver hepatitis vaccines for one million children and youths aged 16 and under in North Korea’s South Pyongan and North Pyongan provinces, shipping it from Incheon to Dandong in China, but we have not been able to send it because the related offices, including the Unification Ministry, directed us not to,” said a government official on May 17. “The plan this time was to send the vaccine to North Korea and monitor the situation early next month after the inoculations, but it has become impossible to go ahead with the project.” The vaccines are valued at 340 million Won ($296 thousand). The Unification Ministry’s decision to block delivery of the vaccine conflict with the remarks made at a briefing by ministry spokesman Chun Hae-sung about
humanitarian aid. “There is no change in the administration’s position that humanitarian efforts and aid to disadvantaged classes in North Korea like newborns and small children will continue,” said Chung. “On May 14, we issued an official document to ten related offices and ministries, including the Ministry of Strategy and Finance, the Health, Welfare and Family Affairs Ministry and the Korea Forest Service, telling them that we would appreciate it if they would temporarily suspend North Korea efforts using the budgets administered by the respective office.” In addition, the Unification Ministry is effectively blocking humanitarian aid efforts to North Korea by private groups, including deliveries of flour and bread. “We were planning to send another 100 tons of flour to Kumsan Farm in Chunghwa County in North Korea’s North Hwanghae Province following an April 24 delivery of 100 tons, but we received notice from the Unification Ministry telling us not to carry out purchasing procedures, since they could not authorize the delivery,” said a World Vision official. The 100 tons of flour are valued at 30 million Won. “An agreement was made with North Korea for an effort involving sending bread made in China to some 6,400 students at 105 kindergartners in Onsong County in North Korea’s North Hamgyong Province, and we were allotted 900 million Won last December from the Inter-Korean Cooperation Fund,” said a senior official with the Korean Sharing Movement. “The Unification Ministry, however, has refused to provide the funding without giving us any clear reason why.” “It is not true that all deliveries to North Korea are being effectively disallowed,” said one Unification Ministry official, who also cited the approval granted on May 14 for the delivery to North Korea of 19 tons of flour valued at 5.8 million Won to be sent by the private group North-South Sharing. (Hankyore, “Hepatitis Vaccine Delivery to N. Korea Cancelled by Lee Administration,” May 18, 2010)

5/15/10

Two North Korean patrol boats crossed the disputed inter-Korean sea border and returned to their territorial waters as the South Korean Navy sent warning messages and fired warning shots, according to the Joint Chiefs of Staff. A North Korean patrol boat came 2.2 kilometers south of the NLL at around 10:13 p.m., about 13.6 kilometers northwest of Yeonpyeong Island, before going back north after the South Korean Navy’s warning messages, the JCS said. The boat was in South Korean territorial waters for about half an hour. Another patrol boat reached about 2.1 kilometers south of the NLL at 11:30 p.m. It continued to move southward despite the South Korean Navy’s warnings, so the Navy fired two warnings shots. The North Korean boat returned to its waters within about nine minutes. “North Korean patrol boats have frequently violated the NLL, so it doesn’t seem like (the North) had any special intentions this time,” a JCS official said. “But it is their first NLL violation since the Cheonan sank, so we are closely looking into possible motives.” Military officials here believe the North may have intentionally sent the patrol boats southward to check on South Korean Navy operations after the 1,200-ton corvette sank or to demonstrate that they had nothing to do with the sinking, as their NLL violations are nothing new. (Kim So-hyun, “S.K. Fires Warning Shots As N.K. Ships Cross Border,” May 16, 2010)

During the meeting held in South Korea on the sidelines of a meeting of foreign ministers from Japan, China and South Korea Japanese FM Okada Katsuya offered support to his South Korean counterpart Yu Myung Hwan in handling the sinking of a South Korean warship in March, while calling for “restraint” in dealing with a territorial
dispute over the South Korea-controlled islets called Takeshima in Japan. (Kyodo, “Japan Offers Support to S. Korea in Dealing with Sinking Incident,” May 16, 2010)

South Korea and China are once again showing a clear difference in position on the sinking of the Cheonan and the issue of six-party talks. The nations have showed a stark contrast in both policy priorities and policy approaches on both issues, which have become key variables in the political situation on the Korean Peninsula. During the fourth foreign ministers’ meeting held by South Korean, Japanese and Chinese foreign ministers in Gyeongju, North Gyeongsang Province, China emphasized the importance of resuming the six-party talks over a response to the Cheonan situation. Meeting with journalists following the tripartite meeting, Japanese FM Okada said, “China talked about issues such as a specific method for resuming the six-party talks and other related issues.” An official with the Japanese Foreign Ministry also told South Korean journalists on May 16, “China stressed that the six-party talks are the best method of achieving denuclearization on the Korean Peninsula and said that it was doing its best as chair nation for the resumption of the six-party talks.” China also showed a clear temperature differential from the South Korean government with regard to the Cheonan situation. A South Korean Foreign Ministry authority said China repeatedly referred to previous expressions of condolences and words of comfort on the “unfortunate incident” while listening to the South Korean explanation during a meeting between the South Korean and Chinese foreign ministers. The authority added, “There were also comments about the importance of an objective and scientific investigation.” China is known to have also talked about the need for conclusive evidence if the cause of the Cheonan’s sinking is to be determined. In other words, it is stating in a roundabout way that it will be unable to recognize the sinking as being due to a North Korean attack unless conclusive evidence is presented. According to a report published in the People’s Daily, Chinese Foreign Ministry spokesman Ma Zhaoxu on May 15 quoted Chinese Foreign Minister Yang Jiechi as saying at the tripartite Foreign Ministers meeting, “China hopes that the nations involved value the peace and stability of the Korean Peninsula and this region, take a long-term view, and maintain dispassionate self-control so that they can handle related issues smoothly.” Since North Korea has continued to deny responsibility for the Cheonan disaster, calling the charges “South Korean slander,” this shows that China is using the six-party talks to establish a course toward stabilizing the political situation on the Korean Peninsula. (Hankyore, “S. Korea and China Remain Divided over Cheonan Responses,” May 17, 2010)

President Lee Myung-bak has directed an increase of 3 trillion won ($2.6 billion) in expenditure for weapons systems to cope with North Korea’s asymmetrical and irregular warfare, a government source said. The President made the decision during the first meeting of a newly established presidential task force for revamping national security and defense plans on May 13, he said. “There is a certain need for changes in defense equipment and weapons systems as well as military operations,” Lee told the 15-member panel led by Lee Sang-woo, a former professor who now chairs the Defense Reform Committee. “Upon the President’s direction, defense authorities are expected to review current arms acquisition plans and readjust their priorities,” the source told The Korea Times. “The focus will be on how to thwart the North’s asymmetrical and irregular operations.” A Cheong Wa Dae spokesman said President
Lee hadn’t directed detailed plans on the arms programs, adding the military will decide upon these. “For example, buying helicopters for maritime and air-to-ground operations will gain speed in order to help prevent the infiltration of North Korean special forces into the South, or to drop our commandos into enemy areas,” the source noted. Other weapons to be affected by a potential increase in defense expenditure would include upgrades of warships’ sonar, deployment of a sound surveillance systems (SOSUS) for islands near the sea border, development of three-dimensional anti-air radar and an electromagnetic pulse (EMP) bomb, and acquisition of bunker-busting bombs, he said. “On the other hand, arms programs aimed at deterring North Korea’s conventional threats could be put on the back burner for the time being,” he added, apparently referring to the production of the K2 Black Panther main battle tank and K21 infantry fighting vehicle. (Jung Sung-ki, “Lee Directs W3 Trillion in Arms Buying,” Korea Times, May 16, 2010)

5/16/10 A push by Japan’s ruling Democratic Party to forge closer ties with China has failed to prevent rising diplomatic friction between the two over nuclear disarmament and naval operations in the seas that divide them. In a strikingly direct personal criticism, China at the weekend denounced Okada Katsuya, Japan’s foreign minister, for making “irresponsible” remarks about Beijing’s nuclear deterrent policy during a meeting with Yang Jiechi, his Chinese counterpart. The same meeting also involved a robust exchange of views on a incident involving vessels of the Chinese People’s Liberation Army navy and Japan’s Maritime Self-Defense Force that have prompted diplomatic complaints from both sides. Frictions with Beijing could ease concerns among some in Washington that Japan’s 50-year-old alliance with the US might be a casualty of DPJ efforts to snuggle up to the region’s new rising power. Okada has repeatedly dismissed such talk, telling the Financial Times last month that China’s growing power made it essential to “further strengthen” the alliance. China’s foreign ministry said on Sunday that Mr Okada had accused Beijing of failing to fulfill its commitment to nuclear disarmament but Mr Yang had rebutted his “irresponsible remarks on the spot.” An insider said the exchange on the topic was “pretty severe” with Yang questioning Japan’s right to challenge it on the topic given Tokyo’s dependence on the huge U.S. nuclear “umbrella” for its own security. (Mure Dickie and Kathrin Hille, “Nuclear Dispute Sours Ties between Tokyo and Beijing,” Financial Times, May 18, 2010, p. 6) “Q: It is said that Japanese Foreign Minister Katsuya Okada made remarks on the nuclear issue against China at the 4th China-Japan-ROK Foreign Ministers’ Meeting in Gyeongju. He accused China of failing to fulfill its commitment to nuclear disarmament as China kept enlarging its nuclear arsenal when the international community is engaged in nuclear disarmament. Thus Japan felt “strongly concerned”. Please brief us on the situation. A: Foreign Minister Yang Jiechi rebutted such irresponsible remarks on the spot and pointed out that China’s nuclear strategy and policy was very clear, that its proposition and efforts on nuclear disarmament were widely recognized. China always stands for the complete prohibition and thorough destruction of nuclear weapons and firmly pursues the nuclear strategy of self-defence. China is the only nuclear-weapon state that undertakes not to be the first to use nuclear weapons and not to use or threaten to use nuclear weapons against non-nuclear-weapon states or nuclear-weapon-free zones. China never participates in any forms of nuclear arms race or deploys nuclear weapons in other countries. China will
continue to keep its nuclear capabilities at the minimum level required for national security. This itself is China’s unique contribution to the process of international nuclear disarmament. China’s position is proper, transparent and above reproach. China hopes that Japanese Foreign Minister could respect facts and keep the overall China-Japan relations and the fundamental interests of the two peoples in mind.” (PRC Foreign Ministry, “Spokesperson Ma Zhaoxu’s Remarks on Japanese Foreign Minister’s Groundless Accusation against China on Nuclear Disarmament,” May 16, 2010)

Chinese FM Yang Jiechi became enraged by his Japanese counterpart Okada’s repeated calls for a reduction in China’s nuclear arsenal when they met Saturday and nearly walked out of the talks, several diplomatic sources said. With tension showing on his face, Yang maintained that Beijing’s nuclear policy is restrained and insisted that the issue was not a suitable agenda item for the meeting, which was intended to deepen the partnership between the three countries. Despite Yang’s claim, Okada continued his arguments and the Chinese minister hit back in Chinese – at one point looking likely to leave the gathering – saying he could no longer participate under such conditions, the sources said. Although Yang decided not to walk out, he later lodged a protest against Okada through diplomatic channels, saying he had been rude. (Kyodo, “Okada’s Call for Nuke Cut Irks China,” Japan Times, May 19, 2010)

South Korea said it has suspended funding for government-level exchanges with communist North Korea amid rising tensions over the sinking of a Seoul warship and other issues. The unification ministry, in charge of cross-border relations, said it has asked 10 ministries or other organizations to suspend spending on the exchanges. (AFP, “South Korea Freezes North Korea Funds over Sinking,” May 17, 2010)

Investigators have apparently discovered pieces of a propeller from a torpedo, which could provide valuable clues to exactly what caused the Navy corvette Cheonan to sink on March 26. “In a search using fishing trawlers, we recently discovered pieces of debris that are believed to have come from the propeller of the torpedo that attacked the Cheonan,” a high-ranking government source said. “Analysis of the debris shows it may have originated from China or a former Eastern-bloc country like the former Soviet Union.” (chosun ilbo, “Cheonan Investigators Find Pieces of Torpedo Propeller,” May 18, 2010)

Toloraya: “At present the basic underlying approach, which more or less determines practical policy in Korea for Russia, can be summarized as follows. … Under no circumstances should military action or attempts to change the regime (effectively eliminating the North Korean state from the political map) be permissible. Sanctions do not help either. Only a compromise can lead to a breakthrough. Under that logic, maintaining amicable relations between Moscow and Pyongyang is imperative both for Russia’s ability to prevent dangerous developments and to influence Pyongyang to be more receptive to compromise. Such an approach suits well the core Russian strategy based on its national interests and in tune with the policies of its “strategic partner” China. It is also useful to contain potentially hostile Western ambitions in a vital area where Russian positions have never been strong enough. This accounts for Russia’s seeming ‘passivity,’ which sometimes displeases the US. … Since 2009, Pyongyang’s provocative behavior (above all its pursuit of nuclear and long-range
missile capabilities) has almost overfilled the cup of the Kremlin’s patience and given rise to a less lenient approach to the DPRK’s adventurism. This new trend can be described as follows. Global interests, including the need to preserve the nonproliferation regime, in the framework of such an approach are more important than appeasing the whims of an abhorrent regime. The distant possibility of Japan, South Korea, or Taiwan aspiring for a nuclear capability is particularly worrisome. This would change the power equation not in Russia’s favor and would require costly countermeasures. A reset of relations with the US, high on the Russian leadership’s agenda, might prompt a sacrifice of good relations with Pyongyang for the sake of closer cooperation with Washington in vital security areas, especially in strategic arms limitation and counter-proliferation. Nor should Iran, where Russian interests are much deeper than in Korea, be forgotten. Maintaining a delicate balance around Tehran’s nuclear program is more essential to Russian interests than keeping unruly Pyongyang out of trouble. Such an approach presupposes that effective measures against the potential implications of a North Korea with an established nuclear status might be necessary, including increased military preparedness in the Russian Far East, as well as a more supportive approach to international sanctions against North Korea. Would Russia turn to a hard-line policy supportive of the US “sanctions first” approach in the quest for unconditional DPRK denuclearization? That would be strange, especially as a more comprehensive and forward-looking US approach is yet to be fully worked out. What would be the benefit for Russia of pressuring Pyongyang? Would that be likely to bring about a real change in North Korea’s policies in nuclear-related matters? Regardless of Russia’s actions, Pyongyang will not change its behavior unless US policies change. Since this is beyond Russia’s control, Moscow feels no need to rush. The status quo, which is actually not deleterious to Russia’s overall regional position, and can only be considered an indirect challenge to its global priorities, in my opinion, suits Russian interests. … What could really affect Russia’s interests is a further expansion of North Korean nuclear programs and improvement of their nuclear weapons and delivery systems (missile programs). That could endanger Russia’s national security, mostly because of an increased regional response to these developments, which would require countermeasures. The possibility of North Korea’s WMD technologies falling into terrorist hands should not be totally discarded. Russia’s interest in stopping any such development coincides with those of the US, Japan, and ROK. But, for Russia, denuclearization at all costs, without regard to broader security issues and consequences, should not become the overriding goal. Peace and security preservation are more important. … If denuclearization under the current rules of the game seems unattainable, why should Russia put it ahead of other goals, namely, the goal of stability in Korea? A collapse of the North Korean state, involving de facto occupation by South Korea, is not how Russia would like to see the future. I will not speculate on the possible long-term destabilization of Russia’s neighborhood that could follow internal strife in the North except to note that it might include armed opposition or the inability of North Korean population - ‘second class’ citizens in a unified Korea -- to adapt to the new rules. Another possibility is ‘soft’ regime change with Chinese involvement. That might range from Beijing sending troops to control the disintegrating country or parts of it (in accordance with a February 1958 Kim Il Sung-Chou En-lai Joint statement) to the installation of a pro-Chinese faction in power. Such a scenario would also mean an increase in regional tensions (contradictions between
China and South Korea, the latter supported by the US) and a possible arms race, which would certainly follow from what would be perceived in Asia as a new Beijing hegemonism. Under any of these scenarios Russia will lose. It would probably also be totally devoid of leverage and ability to influence the development of the situation or the post-change leadership. For Russia the more viable option is trying to rein in the DPRK nuclear potential — to “manage the risks”, silently agreeing to the temporary preservation of the current limited potential. The condition for that is responsible DPRK behavior: no new tests, or, God forbid, international proliferation, no new development of nuclear or missile technology. This is feasible and can be achieved through the diplomatic process, although the goal of actual denuclearization would move ‘over the horizon.’ I have long advocated the view that this would only occur in a distant future, when a new generation leadership has emerged and relations between the DPRK and the world have improved based on the country’s own transformation. Then, the need for a “nuclear deterrent” for Pyongyang would probably disappear. In the meantime, however, for this to happen, the world’s only existing partner in maintaining the status quo is the current North Korean elite. They need guarantees and Russia should not ignore the importance of their concerns. There is no alternative to communication with them. Pyongyang’s aims are to remove military-political threats to the regime, achieve security arrangements, prevent foreign interference, and obtain economic assistance. The mechanism to discuss these concerns exists. It is again the Six-Party Talks. But the talks should not concentrate exclusively on the nuclear issue. They should deal with comprehensive security problems, dating back several decades. Denuclearization is only one track of these talks, and actually it is even a secondary one.” (Georgy Toloraya, “Russia and the North Korean Knot,” Asia Pacific Journal, carried in Pacific Forum, May 17, 2010)

5/18/10

President Barack Obama expressed full support for Seoul's response to the March sinking of a South Korean naval ship in his telephone conversation with South Korean President Lee Myung-bak. Lee's office said, “President Obama emphasized that the U.S. fully trusts and supports South Korea's response and investigation by an international team.” A White House statement said the two leaders “emphasized the importance of obtaining a full accounting of the event and committed to follow the facts of the investigation wherever they lead.” It also said U.S. Secretary of State Hillary Clinton will visit South Korea next week to discuss the ship sinking. Lee placed the phone call to provide “an update on the status of the investigation into the sinking of the ROK (South Korea) naval vessel Cheonan” and “expressed appreciation on behalf of the Korean people for U.S. support in the Cheonan rescue and salvage operations, as well as for the participation of U.S. experts in the international inquiry,” the White House statement said. During the phone call, Obama “reaffirmed the strong and unwavering commitment of the United States to the defense and the well-being of its close friend and ally, the Republic of Korea,” and the leaders also “pledged their utmost efforts to ensure the security of the Republic of Korea, its armed forces, territory and its people,” it said. The two leaders did not explicitly blame North Korea for the ship sinking, but they urged the North to end its provocations. “President Obama and President Lee reiterated that North Korea must live up to its commitment to eliminate its nuclear-weapons program, comply with its international obligations under relevant U.N. Security Council resolutions, and put an end to belligerent behavior towards its
neighbors,” the statement said. Cheong Wa Dae said the two presidents agreed to hold what is known as a “two-plus-two,” a joint meeting of foreign and defense ministers of the two countries, on July 22 in Seoul. It will be their first such meeting. (Hwang Doo-hyong and Lee Chi-dong, “Lee, Obama Discuss Ship Sinking, Response,” Yonhap, May 18, 2010)

Seven South Korean companies have suspended their sand imports from North Korea, one of the longest-running economic cooperation projects between the countries since yesterday, Unification Ministry spokesman Chun Hae-sung said. “We warned them to be careful about the safety of their employees” because political tension is rising between the Koreas, Chun told reporters. He denied that the government pressured the companies into suspending their imports, saying they “voluntarily” halted their operations after the warning. “There are fears that further deterioration in the inter-Korean ties may undermine their businesses,” he said. (Sam Kim, “S. Korea Halts Sand Imports from N. Korea amid Tension,” Yonhap, May 18, 2010)

David Hawk report: “For the last twenty years, the paradigm that has guided approaches to the Democratic People’s Republic of Korea (DPRK or North Korea) is that the pursuit of peace—either in the form of diplomatic discussions centering on North Korea’s nuclear weapons and missile programs or in the form of extended social, economic, and political engagement aimed at fostering improved relationships between the DPRK and other nation-states that intersect in Northeast Asia—requires that human rights concerns be kept off the table and that North Korea’s potential partners in the pursuit of peace and reconciliation affect a deaf, dumb, blind, and mute posture toward the systematic, severe, and widespread human rights violations in the DPRK. Over the last two decades of diplomatic interaction with the DPRK, there have been recurring cycles of provocation, confrontation, and crisis alternating with negotiations and engagement. Throughout, these two contrasting approaches to North Korea—negotiations, reconciliation, and engagement in the pursuit of peace in ways that rebuff human rights considerations, or alternatively, the raising of human rights concerns about North Korea in the absence of an attempt to reconcile and engage the DPRK—have both failed. …Pursuing Peace While Advancing Rights: The Untried Approach to North Korea argues that the reigning paradigm—the idea that either centrally involved nation-states seek to reconcile, engage, and negotiate with the DPRK, in which case raising human rights issues is taboo, or another government raises human rights issues but forgoes engagement and negotiations—is all wrong. This report seeks to make the case that the two should go hand in hand, and outlines an alternative paradigm, which combines the search for peace with the promotion of human rights, and suggests some ways that this alternative, as yet untried, approach might be pursued. …Rights is, of course, much stronger than the mere process of elimination—the only approach to North Korea that has not yet been tried. The most noteworthy proponent of combining human rights and the search for peace in recent years was the Soviet academician Andrei Sakharov … who in 1968, wrote an internationally acclaimed essay, “Thoughts on Progress, Peaceful Co-existence, and Intellectual Freedom,” which argued, in global terms, that human progress required arms control and coexistence (between and among Cold War rivals), along with the necessity for intellectual freedom and broader human rights. His 1975 Nobel Peace
Prize Lecture, “Progress, Coexistence, and Human Rights,” reiterated these themes. ... As far back as 1648, the Peace of Westphalia, which ended thirty years of population-decimating post-Protestant Reformation warfare in Central Europe and which is commonly recognized as the birth of an international system based on sovereign states, acknowledged citizen rights—in this case limited religious freedom (for Catholics, Lutherans, and Calvinists)—among the states party to the Westphalian peace agreements. In the present era, human rights considerations and provisions—in much more detail than expressed in the UN Charter—were explicitly incorporated into the peaceful resolution of Cold War conflicts in Europe in the mid-1970s, in Central America in the mid-1980s, and in Southeast Asia in 1991.8 Further, most post-Cold War conflict resolution efforts contain human rights provisions and human rights components in the peacekeeping, peacemaking, or peacebuilding operations that oversee contemporary regional or intranational peace agreements. ... of its insecurity.” North Korea’s pariah status cannot be mitigated or even tackled without taking up its human rights problems ... Specifically, if the Six Party Talks can be revived and if they get back to what was previously envisioned for ‘phase three,’ human rights issues will arise in virtually all of the ‘working groups’ within the Six Party Talks, with the exception of the Working Group on Denuclearization. Normalization of relations with North Korea will not likely be achievable without tackling human rights concerns because the reality is that, since at least the early 1970s, factoring human rights considerations into U.S. relations with other nation-states—be they allies, adversaries, or neutrals—is now standard U.S. practice. It is the normal U.S. practice because, irrespective of lapses, failings, inconsistencies, or what some call ‘double standards,’ U.S. foreign policy is based on a projection of values as well as on the protection and advancement of interests. ... The bottom line is that there will not be denuclearization or even progress toward denuclearization without improvements in U.S.-DPRK relations. The gross violations of human rights in the DPRK are an impediment to better relations—an impediment that has to be tackled proactively by U.S. diplomacy. ... Oddly, both the implementation of the 1994 Agreed Framework during the 1990s and the negotiations at the Six Party Talks after 2005 got bogged down in the technicalities of arms-control trade-offs, and did not soon enough tackle the improvement of U.S.-DPRK relations. While the Agreed Framework was signed in 1994, opposition to it by the newly Republican-controlled Congress led the Clinton administration to let the ‘relationship’ aspects languish until the Perry Process was initiated four years later following North Korea’s 1998 missile test. Similarly, according to one close student of the Six Party Talks, ‘the U.S.-DPRK political relationship ... was not well defined by earlier Six Party Agreements.’ In neither case did the parties get to the core issue between the United States and North Korea: would North Korea trade off its nuclear weapons and nuclear weapons programs for a new relationship with America, and, if so, what would that entail? Discussions of establishing or normalizing relations—whether essentially bilateral discussions, or in the guise of the U.S.-DPRK Working Group at the Six Party Talks—are also the most direct and immediate circumstance for discussing North Korea’s human rights issues. The U.S. side will likely seek to withhold full and final diplomatic normalization, as well as the signing of a Korean War peace treaty or agreement, until North Korea actually parts with its nuclear arsenal, as those are among the most important of the few bargaining chips deemed available to the United States. But that need not preclude a series of discussions on what is desired and
envisioned by both sides with respect to the substance and circumstance of removing antagonisms and working toward normal relations. This could be included at an early stage of renewed negotiations between the United States and the DPRK, rather than waiting, again, until after the next confidence-building measure, or, waiting again, until the next step of a very long list of technical arms-control details is hammered out and implemented. Nor can antagonisms be removed by avoiding them. The unavoidable reality is that addressing human rights concerns is part and parcel of any process of removing antagonisms and moving toward more normal relations between North Korea and the United States. ...If the DPRK is unwilling to discuss human rights with the United States, it is a good indication that they are not really serious about wanting a new, nonhostile, nonconfrontational relationship. ...Approached positively and proactively, human rights issues arise organically between the United States and North Korea in ways large and small, including: 1) responding to the DPRK report recently submitted to the United Nations as part of the Universal Periodic Review; 2) discussing the possible removal of sanctions and reporting provisions that stand in the way of improving and normalizing relations, including sanctions and the reporting provision that derive from congressionally-imposed human rights conditionalities; and 3) probing what North Korea is really looking for by way of security assurances from the United States. The recent submission by the DPRK to the UN Human Rights Council calls for substantive dialogue with other UN Member States in general and the United States in particular. This official North Korean report to the UN explicitly claims, ‘The DPRK has taken into serious consideration the observations and recommendations made by the treaty bodies, and accepted and implemented them.’ This assertion is the basis for a sustained discussion between the U.S. Special Envoy for North Korean Human Rights and the relevant authorities in North Korea. What could be the objection to asking for information about the measures that the DPRK says it has made to implement the international human rights norms and standards that North Korea has formally endorsed and acceded to? ...Alongside the dozen or so sanctions and aid conditionalities against the DPRK that remain in place for proliferation, for nuclear detonations, and for ‘status as a communist state,’ are several that relate directly to human rights. The DPRK is listed as a ‘tier three’ country under section 110 of the Trafficking Victims is designated as a ‘country of particular concern’ under the International Religious Freedom Act of 1998, which carries with it restrictions under the Jackson-Vanik legislation of the 1970s. North Korea remains covered by the prohibitions on development assistance to countries that engage in ‘a consistent pattern of gross violations of internationally recognized human rights’ under section 116(a) of the Foreign Assistance Act. What these (and the other non-human-rights-related sanctions) mean, how they work, and how they could be removed is quite complicated. But the salient point is that removing these U.S.-imposed strictures limiting U.S. government interaction with the DPRK would seem a likely and reasonable part of any bilateral process to reduce antagonism between North Korea and the United States. ...At the outset of diplomatic discussions between states, it is common for both sides to make ‘opening statements’ outlining issues that each side wishes to address. Judging from previous statements by North Korean officials, it may well be that, prior to taking up the substantive core of human rights issues with the DPRK, it may be necessary to preface a substantive human rights dialogue by clearing away the underbrush of potential misconception; that is, to talk
about talking about human rights before getting to talk about human rights substantively. Following are several points that are prologue to substantive discussions. It may well be that North Korean diplomats conflate observations of human rights violations with the politics of ‘regime change.’ Certainly in recent years many South Koreans associated human rights advocacy about North Korea with coercive or forced regime change, seeking to suborn and bring about the collapse of the Kim family regime in North Korea. But fundamentally, the promotion and protection of human rights pertains to the extent to which each and every government observes various norms and standards of government policy and practice towards its citizens in the modern world. Human rights advocacy aims to change a government’s policy and practice with respect to the specific rights recognized or set forth in international standards—not the overthrow of governments themselves. …Put differently, there is nothing in the Universal Declaration of Human Rights that prohibits or precludes the idiosyncrasies of the North Korean state such as dynastic succession, the fervent veneration of the founder of the state and his family, the ideology of ‘Juche thought,’ ‘military first’ politics, ‘socialism in our style,’ and so on. From the perspective of human rights it does not matter whether Kim Jong-il continues to rule for decades hence, is succeeded by his first, second, or third son, or by a collective leadership arrangement. What matters is whether the present administration or the next one, however it is comprised or organized, respects, or does not respect, the specific rights explicitly prescribed in the international human rights declarations and conventions, particularly the human rights conventions that North Korea has formally endorsed and acceded to. …To demonstrate concretely that its approach to human rights is intended to be cooperative and is not intended as slander or political attack, the United States should offer to engage in technical cooperation with the DPRK in the area of human rights. One such suggested area could be in the rights of persons with disabilities, wherein it could be proposed that U.S.-based disabled persons’ organizations could cooperate on developing programs with the Korean Federation for the Protection of Persons with Disabilities that was founded in 2005. Another area for proposed technical cooperation could be with respect to children’s rights. While the Convention on the Rights of the Child works rather differently from the other core UN human rights conventions, UNICEF, which already has a substantial program in North Korea, works as an implementing agency for the children’s rights convention. Developing a trilateral program between the United States, UNICEF, and the relevant North Korean institutions could be proposed for consideration, as part and parcel of an improved U.S.-DPRK relationship. …The basis for a human rights dialogue between the United States and North Korea is that both states are signatories to the same core international human rights conventions. Both states have signed the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social, and Cultural Rights (ICESCR). These twin conventions convert the provisions of the Universal Declaration of Human Rights into the language of international law. Between them they cover the full range of human activities that are recognized as ‘rights’ in the international community. These conventions specify in considerable detail what signatory governments should not do to their citizenry and what signatory governments should do for their citizens to the extent that resources allow. …The DPRK has submitted its implementation report under the ICCPR to the UN Human Rights Committee, and its implementation report under the ICESCR to the UN
Committee on Economic Social and Cultural Rights. And in 2001 and 2003, respectively, these committees issued their reports on North Korea’s implementation of its obligations under both Covenants. These reports, with their series of expert recommendations, constitute a veritable UN roadmap for improving human rights in North Korea. ...The door to human rights dialogue has to be opened by the Special Envoy for North Korea Policy, who is presently the only interlocutor between the United States and the DPRK. Once Ambassador Stephen Bosworth, the current U.S. Special Envoy for North Korea Policy, is sufficiently sure there is enough common ground with the DPRK on denuclearization issues to resume negotiations, he will have to make the initial case to North Korea that improving relations and the road to diplomatic normalization with the United States will be facilitated by a human rights dialogue. What is less obvious is that there are substantial discussions than need to be had, and can be had, on human rights matters at the technical or sub-ambassadorial level, just as there was a substantial amount of technical discussion between U.S. and DPRK scientists and engineers on what exactly was involved in the ‘disabling’ process at the Yongbyon nuclear facility. ...Two examples of technical human rights dialogue are as follows. In 2004 and 2007 the DPRK revised its Criminal Code and Criminal Procedures Code. These revisions included a number of improvements from a human rights point of view, incorporating, it is said, several recommendations made to the DPRK by the UN human rights treaty bodies referred to above. There are North Korean officials, it should be recognized, who have worked to bring DRPK law up to international standards. But there is a lot about the functioning (or malfunctioning) of the DPRK legal system that is not clearly understood. The United States could seek meetings with the North Korean officials responsible for legal revisions for purposes of genuine dialogue and knowledge-sharing regarding the legal/social system of the DPRK. From the testimony of former detainees in the North Korean kwan-li-so (political penal labor colonies), it appears to be the case that these prison labor camps—holding an estimated 150,000 to 200,000 persons—operate entirely outside North Korea’s court system and legal codes. If so, by definition, these detentions are ‘arbitrary.’ The punishments and executions that occur in the camps are, by definition, ‘extra-judicial.’ So a question to ask North Korean law officials is: What provisions in the constitution or institutional framework preclude the jurisdiction of the courts, the criminal codes, and criminal procedures codes from what the North Koreans call ‘managed places’ or ‘total control zones’? Similarly, while the revised North Korean criminal codes and criminal procedure codes now prohibit the use of torture and prohibit confessions obtained under torture from being used in court, there is a large body of very recent testimony from former North Koreans who were beaten and/or systematically tortured upon forced repatriation from China. So it would seem entirely appropriate to ask DPRK legal authorities in Pyongyang what measures are being taken to ensure that articles prohibiting torture and prohibiting the use of confessions obtained under duress are being implemented in the police interrogation and detention facilities that abut the corridors from which North Koreans are being forcibly repatriated from China. In the area of freedom of thought, conscience, and belief, there are knowledge-sharing questions that could be asked of the leaders of the various “religious federations” in North Korea. For example, North Korea has churches only in Pyongyang. It is well known that following the Korean War and into the 1960s, many families of Protestant Christian believers were transferred from Pyongyang to the industrial cities along
North Korea’s east coast, such as Hamhung and Chongjin. Given the proclivity of Christian believers all over the world, including certainly Korea south of the 38th parallel, to gather in congregations to pray, sing hymns, and read scripture together, why is it, the leaders of the DPRK ‘Protestant Christian (Kiddokyo) Federation,’ could be asked, that Christian believers in Pyongyang have, or want to have, churches but those in Hamhung, Chongjin, or, say, Hoeryong, Onsong, or Sinuiju, do not? …North Korean authorities at a variety of levels could also be asked about current DPRK policies that result in widespread and unnecessary suffering. Two examples are outlined below: violence against women and the prison-labor camps.” (David Hawk, Pursuing Peace While Advancing Rights: The Untried Approach to North Korea, A U.S.-Korea Institute at SAIS Report, May 2010)

South Korea will formally blame North Korea tomorrow for launching a torpedo at one of its warships in March, causing an explosion that killed 46 sailors and heightened tensions in one of the world’s most perilous regions, U.S. and East Asian officials said. South Korea concluded that North Korea was responsible for the attack after investigators from Australia, Britain, Sweden and the United States pieced together portions of the ship at the port of Pyeongtaek, 40 miles southwest of Seoul. The officials, who spoke on the condition of anonymity because South Korea has yet to disclose the findings of the investigation, said subsequent analysis determined that the torpedo was identical to a North Korean torpedo that South Korea had obtained. Of the countries aiding South Korea in its inquiry, officials said that Sweden had been the most reluctant to go along with the findings but that when the evidence was amassed, it too agreed that North Korea was to blame. A spokesman for the Swedish Embassy declined to comment. Yesterday, North Korea for the first time directly denied that it was involved in the Cheonan’s sinking. “We will not tolerate the confrontations and warmongering schemes of the puppet regime of South Korea,” said Yang Hyong-sop, vice president of the Presidium of the Supreme People’s Assembly. China has called on both parties to remain calm, but its fence-sitting risks damaging its ties with South Korea, East Asian officials said. “China wants to be a wise giant treating all parties the same,” said a senior diplomat. “But somebody committed murder here. This is ridiculous. This is a barometer for China. We are watching how they respond.” It is unclear whether Beijing would support taking the issue to the Security Council; a senior Chinese official said China would first need proof that North Korea launched the attack. “I just cannot imagine the Chinese saying, ‘Okay, we agree with you. Let’s go to the Security Council and condemn North Korea for their action,’ “said Bonnie S. Glaser, a security specialist at the Center for Strategic and International Studies. South Korea’s conclusion that North Korea is responsible for the sinking of the Cheonan also means it is unlikely that talks about the North’s nuclear weapons program will resume anytime soon. David Straub, a former director of the State Department’s Korea desk who is now at Stanford University, said that while the Cheonan’s sinking was horrendous, it marked more of a return to "normal" behavior for North Korea than a new direction. “We tend to look at this as shocking because things have been relatively quiet for a decade or two,” he said. But North Korea killed 30 sailors aboard a South Korean warship in the 1970s; in 1983, its agents were believed to have been behind a fatal bombing in Rangoon, Burma, that narrowly missed then-South Korean President Chun Doo-hwan. What has changed, Straub said, is the Western view of North Korea. In the past, North
Korean misbehavior was often rewarded with Western attention and aid from Japan and South Korea. But after North Korea conducted its second nuclear test in May 2009, "opinion changed in a fundamental way," he said. "Before, there was a tendency of government officials to say, 'Well, maybe if we try hard enough to persuade the North Koreans to give up the bomb, they will,'" he said. "Now the conclusion of most people, including in the Obama administration, is that they can’t see the North Koreans giving up their nuclear weapons on terms that would be acceptable to anyone." (John Pomfret and Blaine Harden, “South Korea to officially blame North Korea for March Torpedo Attack on Warship,” Washington Post, May 19, 2010, p. A-1)

The clouds of war are gathering in inter-Korean relations as the Lee Myung-bak administration has reportedly planned to effectively announce Thursday that the sinking of the Cheonan was caused by a North Korean torpedo attack. Clashing in words and deeds, North Korean and South Korean authorities are being rapidly drawn into a hair-trigger crisis situation. The South Korean government has taken the countermeasure of having all South Korean personnel staying in North Korea withdraw with the exception of those in the Kaesong Industrial Complex and Mt. Kumgang tourism zone. An excavation team of 11 South Koreans returned home Tuesday after working with North Korea on an excavation study at Manwoldae, a Goryeo Royal Palace site in Kaesong. They were initially scheduled to carry on the study through June 10. "The government ordered us to withdraw by today, citing the recent deterioration of inter-Korean relations," said an official with the excavation team. Workers collecting sand from the East and West Seas off North Korea also returned home between Friday and Sunday. The reaction from North Korea has been vehement. "South Choson's puppet conservative thugs are making a strained link between the sinking of the puppet army's warship and us and are driving the political situation to the utmost extreme of confrontation," said North Korean Supreme People’s Assembly Standing Committee Vice Chairman Yang Hyong-sop on Monday. "We will not simply stand by and watch." "The South bears full responsibility for the catastrophic aftereffects that will be summoned by a resumption of psychological warfare against the North," said a North Korean delegation leader for the inter-Korean general-level military talks on Sunday in a message to South Korea. "As warned, we will take real measures over and above the level of limiting and blocking the land passage of Southern workers at North-South administration zones in the East and West Sea regions." This was a warning of a counter response in connection with a plan under examination by South Korean military authorities to resume propaganda broadcasts to North Korea, and the distribution of flyers to North Korea by certain private groups. In essence, the Kaesong Industrial Complex is now a target. Voices of concern about this sharp confrontation between North Korea and South Korea are also keen within the government. "It is impossible to attempt to gauge where this will end," said one government official. "Since everything is taking place in a top-down manner, the scope of action for the working-level offices is narrow," said another government official. This seems to indicate that the recent hardline measures against North Korea are being directed by the Cheong Wa Dae (the presidential office in South Korea or Blue House). Experts have continued to call for a rational response. "The administration's recent measures are an ideologically driven act of self-destruction that tears down infrastructure in inter-Korean relations that was established with great difficulty over
two decades following the July 7 Declaration by the Roh Tae-woo administration in 1988,” said Inje University Professor Kim Yeon-chul. “For the sake of peace, a balance must be found between solid security on one side and interchange and cooperation on the other,” said University of North Korean Studies Professor Yang Mu-jin. “Even if the Defense Ministry and Foreign Ministry are calling for pressure on North Korea, the Unification Ministry is the last bulwark for inter-Korean relations, and it must not sever the thread of interchange and cooperation.” “If private interchange and cooperation and the Kaesong Industrial Complex are halted, after serving as a safety valve for inter-Korean relations even amid the deteriorating relations between authorities since the Lee Myung-bak administration took office, catastrophe becomes inevitable,” said an expert at one institute who request anonymity. “I am fearful of what historical disaster will be brought about by the ignorance and incompetence of conservative groups that find their identity in North Korea-bashing at a time when a carefully crafted North Korea strategy is urgently needed.” (Hankyore, “Tensions on Korean Peninsula Escalate Prior to Release of Cheonan Report,” May 19, 2010)

Joel Wit op-ed: “In the 16 years I have worked with North Korea, I have made 18 trips there, and I remain convinced that sustained diplomatic engagement is the only way to encourage the North to moderate its threatening behavior. The alternative is far worse: an isolated North Korea that is heading down a path of defiance. This lesson has been forgotten. When President Obama took office he pledged to engage rogue states in dialogue, but he didn’t follow through with North Korea. Confronted by its provocative nuclear and missile tests, he secured international sanctions, stepped up cooperation with South Korea and Japan and even garnered some support from China, the North’s closest friend. All that made sense as far as it went. But then American officials neglected to re-engage Pyongyang. Instead of using last summer’s extraordinary meeting between former President Clinton and Kim Jong-il to jump-start dialogue, they lashed themselves to a set of hard and fast preconditions for talks, demanding that Pyongyang pledge to give up its nuclear arsenal and return to multilateral nuclear negotiations. Last December, Ambassador Stephen Bosworth was sent to North Korea to keep communications open, but his visit was wasted as Washington spent months debating about whether to hold another meeting. As Secretary of State Hillary Clinton travels to Asia next week, amid reports that a South Korean investigation has found the North responsible for sinking the South’s warship Cheonan, the administration persists in playing a waiting game – Mrs. Clinton calls it “strategic patience” – based on the assumption that time is on our side. The more Pyongyang is plagued by political instability, food shortages and a declining economy, the theory goes, the more likely it will be to yield to American demands. Yet Kim Jong-il remains in control. Food shortages exist, but harvests from the past two years have been relatively good. Industrial production grew last year and, thanks to ties with China, trade declined only slightly. And the North believes its nuclear security blanket makes it less vulnerable to American threats. Officials in Pyongyang who have hard-line tendencies welcome American strategic patience. It enables North Korea to keep its nuclear weapons, build new ones and export dangerous technologies. (The Internet makes exporting a bomb design as easy as pressing the send button.) The Cheonan sinking makes clear the dangers of playing a waiting game. The sinking – probably the North’s effort to retaliate for past clashes and to humiliate the conservative South Korean president, Lee
Myung-bak – shows how unwise it is to leave stability on the peninsula hostage to Pyongyang’s goodwill. What should the Obama administration do instead? Since Mr. Kim has said publicly that he is open to talks, the United States should do nothing to shut what may be a window of opportunity. Now that North Korea has been found responsible for the Cheonan sinking, Seoul will demand – and the United States should support – punishing Pyongyang. But the Cheonan sinking also provides an opportunity for the Obama administration to shift its approach to North Korea. Now, we should avoid steps that might lead to a major escalation of tensions. One reasonable response would be to seek condemnation by the United Nations Security Council, while expanding military defenses against the North and strengthening cooperation with Japan. And instead of demanding new preconditions for talks – an apology for the Cheonan, for example – we should mount a gradual pragmatic effort to engage in new discussions, not as a reward for bad behavior or to talk for the sake of talking, but to make us more secure. We should not delude ourselves into thinking that Kim Jong-il will soon give up his nuclear arsenal, even for financial rewards; it is too important to his vision of a strong North Korea. But Mr. Kim’s vision is not set in concrete. While growing political and economic ties with China have benefited the North, he is probably uncomfortable with his country’s increasing dependence on Beijing. Concerned about inter-Korean tensions and about a nuclear-armed North, China would also be supportive. So a serious initiative to build better relations could eventually make headway. And it is very possible that, as relations improve, the North Koreans may be persuaded to accept a step-by-step process of increasingly tight, verifiable controls on their nuclear program, and on their dangerous exports. While this process would not eliminate all of North Korea’s nuclear weapons right away, as trust is restored, the North may reach a point where it no longer sees them as vital to its national security. But our immediate focus should be on the journey toward denuclearization, not on the final destination. (Joel Wit, “Don’t Sink Diplomacy,” New York Times, May 19, 2010, p. A-27)

5/20/10 South Korean Foreign Minister Yu Myung-hwan criticized North Korea for breaching the Armistice Agreement signed at the end of the 1950-53 Korean War. Yu pledged that the government will take firm measures on the incident with the help of the international community. The Joint Civilian-Military Investigation Group (JIG), which includes 24 foreign experts from the United States, Britain, Australia and Sweden, announced a North Korean midget submarine torpedoed the Cheonan at night. The sub was believed to have sneaked through international waters into the West Sea two or three days before the attack, according to the group. It said the torpedo, with an explosive weight of about 250 kilograms, exploded 3 meters under the gas turbine area of the 1,200-ton ship. The group provided what it called decisive evidence to prove North Korea’s involvement in the tragedy that claimed the lives of 46 sailors. It displayed parts of the propulsion system of the torpedo collected from the site of the sinking and said the remains matched in size and shape the specifications on a blueprint of a North Korean torpedo. The blueprint was included in brochures of torpedoes provided to foreign countries for exports, it said. Investigators also found markings in hangeul, which read “No. 1” in English, on the parts. They said the font was similar to that on a North Korean torpedo discovered by the South seven years ago. “The Cheonan was split apart and went down due to a shockwave and bubble effect
produced by an underwater torpedo explosion,” said Yoon Duk-yong, a professor emeritus at the Korea Advanced Institute of Science and Technology. “Based on all such relevant facts and classified analysis, we have reached the clear conclusion that the Cheonan sank on March 26 as the result of an external underwater explosion caused by a torpedo made in North Korea,” said Yoon who co-heads the JIG. “The evidence points overwhelmingly to the conclusion that the torpedo was fired by a North Korean submarine. There is no other plausible explanation.” Yoon also cited statements of eyewitnesses, post mortems on the deceased sailors, analysis of seismic and ultrasound waves, a simulation of an underwater explosion, and analysis of currents off Baengnyeong Island near the sea border with the North. (Jung Sung-ki, “Seoul Confirms N.K. Torpedo Sank Warship,” Korea Times, May 20, 2010) “We have collected propulsion parts (of the torpedo), including a propulsion motor with propellers and a steering section,” said Yoon Duk-yong, co-head of the investigation team during a press conference at the Ministry of National Defense. “They perfectly match the schematics of the CHT-02D torpedo included in introductory brochures provided to foreign countries by North Korea for export purposes.” The team discovered a mark in Korean at the end of the propulsion section of the torpedo, which reads “No. 1.” The mark is “consistent” with that of the North Korean training torpedo the South obtained seven years ago off its southern coast, it said. The torpedo in point is a heavyweight passive acoustic homing torpedo measuring about 53 centimeters in diameter and weighing 1.7 tons with a net explosive weight of about 250 kilograms. Yoon added that the team’s investigation shows that a strong shockwave and bubble jet effect caused the ship to be torn in two. “A sentry on the shore of Baengnyeong Island stated that he witnessed a roughly 100-meter-high pillar of white light for two to three seconds. The phenomenon is consistent with damage resulting from a shockwave and bubble jet effect,” Yoon said. The team judges that a Yeono-class midget submarine fired the torpedo. It has found that a few small submarines and a mother ship supporting them left a North Korean naval base in the West Sea two to three days prior to the attack and returned to their port two to three days after the attack. “We also confirmed that all submarines from neighboring countries were either in or near their respective home bases at the time of the incident. This is confirmed by the multinational combined intelligence task force comprised of five states including the U.S., Australia, Canada and the U.K.,” Yoon said. The investigation team believes that the submarine took a detour to launch an attack in the West Sea. “It is presumed that the submarine took a detour on the outskirts of the West Sea. For the fatal attack, it appears that the North identified its target at night and mounted the attack at close range,” said Air Force Lieutenant Gen. Hwang Won-dong who headed the investigation team’s intelligence analysis section. “After the provocation, the submarine appears to have swiftly moved away from the scene and returned (to its home port) using the same infiltration route.” (Song Sang-ho, “North Korea Submarine Torpedoed Chenon,” Korea Herald, May 20, 2010) Today marked one hundred days since the sinking of the Cheonan on March 26, but the debate over the truth behind the sinking shows no signs of cooling. The debate has been most heated with regard to the torpedo recovered by a pair trawler on May 15. When announcing its investigation findings on the cause of the sinking on May 20, the investigation team presented this torpedo as conclusive evidence, saying that it was a “CHT-02D” torpedo manufactured in North Korea. As basis for its claim that this
torpedo was responsible for the Cheonan’s sinking, the team cited analysis results on aluminum oxide, an adhesive substance that arises from explosions, the word “No. 1” written in Korean on the torpedo’s propeller, the degree of corrosion on the torpedo and hull, and the correspondence between the torpedo propeller and a North Korean torpedo blueprint. However, the evidence presented by the team has faced more challenges with each day that passes. To begin, the team explained that the white adhesive substance arose when aluminum powder in the torpedo’s explosive detonated and burned onto the Cheonan’s hull and the torpedo’s propeller. However, Seung-Hun Lee, a physics professor at the University of Virginia in the United States, and Panseok Yang, manager of the Microbeam Laboratory in the Department of Geological Sciences at Canada’s University of Manitoba, conducted their own analyses of the data presented by the team and concluded that the substance was not aluminum oxide resulting from an explosive, but was more likely an ingredient in clay.

Second, the team announced during a June 29 briefing for press groups, including the Journalists Association of Korea and the National Union of Mediaworkers, that its analysis results showed ingredients of “Solvent Blue 5” in the blue oil magic ink used to write “No. 1” on the torpedo’s propeller. However, the solvent line is a commonly used ingredient in ink, and since the team was unable to secure a sample of North Korean ink to compare it with the ingredients in the ink used to write “No. 1,” it is insufficient as evidence. Third, the degree of corrosion on the torpedo and vessel, which would have been underwater for similar lengths of time, was viewed as an important indicator. However, the team explained, “Because of significant differences in the corrosion thickness on the torpedo propeller, up to around six times depending on the materials and part, it is difficult to determinate how long the corrosion had been taking place.” In other words, it was impossible to give a scientific explanation. Fourth, confidence in the military’s announcement took a hit after the belated discovery that the full-scale Korean torpedo blueprint presented by the team during its announcement did not correspond to the torpedo in question. Also, the team’s announcement suggested that the blueprint was in a catalog produced by North Korea for torpedo sales, but Defense Minister Kim Tae-young and others later changed their story and said that it was on a CD. Additionally, the team’s announcement and the accounts of Baengnyeong Island sentries differ on the presence of a large water column from a bubble jet torpedo explosion. Besides this, questions have been raised over whether the sonar used to detect submersibles and torpedoes was functioning on the Cheonan, and whether there was really no thermal observation device (TOD) footage from the time of the sinking. Experts commented that the administration "reaped what it sowed“ after trying to solve the puzzle too quickly to meet the timeline of the June 2 local elections.

According to an array of military sources, there was a considerable debate within the Cheong Wa Dae (the presidential office in South Korea or Blue House) and military over the cause of the sinking, with factions developing in support of and against the torpedo explanation. This stemmed from divergent accounts by survivors and eyewitnesses, as well as differing assessments of North Korea’s tactical capabilities. Indeed, the investigation team itself acknowledged at its briefing with three press groups on June 29 that North Korea would be the first to have succeeded at using a bubble jet torpedo in actual fighting. Military experts also reportedly did not readily accept the possibility of a small-scale submersible typically used for reconnaissance and maneuvering actually being fitted with a heavy torpedo and used to attack. The
“torpedo theory” proponents won the day when the “No. 1 torpedo” was salvaged on May 15, and establishing a linkage between the “No. 1 torpedo” and the Cheonan’s sinking became a task of vital importance. Even so, just five days later, the administration made an announcement as though the entire relationship between the torpedo and the Cheonan had been proven. A military source who asked to remain anonymous said, “If you leave out the time spent moving the torpedo, removing water and dust, and writing a report, the whole examination only lasted about three days.” “The government has invited distrust by being excessively greedy,” the source added. (Hankyoreh, “Questions Linger 100 Days after the Cheonan Sinking,” July 3, 2010)

Sources reported September 9 that for its final report on the Cheonan sinking, scheduled for release on Sept. 13, the Ministry of National Defense changed the explosive force of what they have called the North Korean-made “No. 1 torpedo” (CHT-02D). The Defense Ministry changed the previously announced level equivalent to 250 kilograms of TNT up to the level of 350 kilograms of TNT, a 44 percent increase. As this reverses the findings announced on May 20 by the civilian-military joint investigation group (JIG), controversy is expected to flare up again over the reliability of government investigation findings. During a recent telephone interview with the Hankyoreh, an expert at a state think tank who took part in the JIG as a civilian committee member said that the Defense Ministry “carried out a simulated underwater experiment with the torpedo’s explosive force raised to the level of 360 kilograms of TNT” prior to the report’s publication. The expert added that this level of explosive force represented “the last conditions for the explosion that were given by the JIG team investigating the form of explosion.” The expert went on to say that the initial simulation “was done hastily from late April to May 20, and in the process it was impossible to reflect (all of the water-related) variables.” “For the next two months or so, they worked hard to fix things and to supplement and revise their model,” the expert explained. “There were in such a hurry that they did not even have enough time before May 20, so they just showed the simulation up to 0.5 seconds. This time they were able to calculate sufficiently up to two seconds, and now it shows the bottom of the Cheonan’s engine room shearing apart.” The expert’s account suggests that the simulation conducted with the torpedo’s explosive force changed to 360kg of TNT gave an image of the damage to the Cheonan that is closer to the reality. In May, the JIG announced that the explosive force of the “No. 1 torpedo” was equivalent to 250kg of TNT, and presented simulation results based on this figure. This was based on the fact that the amount of explosive material was specified as 250kg on the torpedo characteristics presented at the time. But analysts have interpreted the ministry’s decision to set the value more than 100kg of TNT higher in its final report as a last-ditch strategy to match the explosive force of the “No. 1 torpedo.” Experts said that because a variety of high-performance explosives are mixed into the torpedo’s explosive material, the explosive force calculated in terms of kilograms of TNT would increase to around 1.4 to two times the actual amount of explosive material. In this case, the explosive force of the “No. 1 torpedo” would increase to 350 to 500kg of TNT, similar to the defense ministry’s “revised estimate.” But if the explosive force that sank the Cheonan was equivalent to 250kg of TNT as announced by the JIG on May 20, the “No. 1 torpedo” theory loses credence. If this value is converted into an equivalent amount of high-performance torpedo explosive, the amount of explosives in the “No. 1 torpedo” would come to only 125 to 179kg, well short of the specified
dimensions. The ministry now appears likely to face criticisms that it has adhered to a false account for over three months since the JIG announcement on May 20.

According to experts, the reasons for this can be surmised to some extent. When asked why the explosive force affecting the Cheonan was set at 250kg of TNT at the time of the initial simulation, an expert at one state think tank said, “It wasn’t so much that we did it. After U.S. experts did a simple simulation first, it was said that 250kg seemed to be the most likely figure.” However, the date the simulation began was reportedly late April to early May. In other words, there was no time to amend the announcement to take into account the explosive force of the “No. 1 torpedo,” a fragment of which was unexpectedly salvaged on May 15, five days prior to the findings’ announcement. In spite of this, the JIG went so far as to say at its May 20 announcement that the simulation results based on a force of 250kg of TNT “produced something similar to the damage suffered by the Cheonan.” With the defense ministry increasing the explosive force of the torpedo to 360kg of TNT, it is expected to encounter considerable problems in the future with its explanation, as the figure does not match the scale of explosion recorded in seismic waves, which was between 140kg and 260kg. This is certain to present difficulties for the ministry, which has relied upon seismic waves and infrasound waves as a major basis for determining the time and position of the Cheonan’s sinking. Moreover, because factors such as shock and heat vary depending on the scale of explosion, observers have predicted the ministry will find itself back at square one having to explain contentious areas in connection with the explosive force, including the height of the water column, the degree of injury to sailors on board the vessel, and the possibility of the writing on the torpedo fragment surviving the blast. (Lee Choong-sin, “Defense Ministry Alters Explosive Force in Cheonan Report,” Hankyore, September 10, 2010)

South Korea released the full results of a multinational investigation into the March sinking of a warship, reaffirming that it was sunk in a North Korean torpedo attack and providing more details that officials hope will quell doubts and questions leveled at interim probe results. A Seoul-led multinational team of investigators concluded in May that the vessel was sunk from the underwater explosion of a torpedo fired by a midget North Korean submarine that sneaked into South Korean waters. Investigators presented as evidence the propulsion device of the torpedo retrieved from the site of the sinking, marked with "No. 1" written in North Korean-style characters. The team also said the recovered torpedo parts point to a model shown in North Korea’s pamphlet of its weapons. The full report contained some more details, including those on the explosion, to explain how the 73 investigators from South Korea, the United States, Britain, Australia and Sweden reached their outcome. “The detonation location was 3 meters to the port from the center of the gas turbine room and at a depth of 6 to 9 meters,” it said. “The weapon system used was a CHT-02D torpedo with approximately 250 kilograms of explosives manufactured by North Korea.” The 310-page document also included communication records between the Cheonan’s surviving captain, Cdr. Choi Won-il, and his immediate boss, Squadron Commander Capt. Lee Won-bo, at the time of the sinking. Minutes after the attack, Choi reported to Lee, saying, ”I think we’ve been hit by something.” Lee asked, “What do you think it is?” and Choi replied, “I think it’s a torpedo.” (Kim Deok-hyun, “S. Korea Releases Full Report on Ship Sinking, Reaffirming N. Korea’s Responsibility,” Yonhap, September 13, 2010)
mission in vicinity of Baekryong Island at 2122 hours on March 26, 2010. Immediately following the sinking of the ship, the ROK military conducted a surface, coastal and underwater search until April 3, and transitioned from a personnel recovery operation to a salvaging operation on April 4. The salvage and transportation of the separated bow and stern section were completed on April 25. During the salvage of the ship, 40 bodies were recovered as well. Following the salvage of the ship, emphasis was placed on search operations and a detailed search was conducted focusing on the areas where the likelihood of collecting debris was assessed to be the highest. A detailed search of the seabed using special nets commenced on May 10 and parts of a torpedo propulsion section, including a propulsion motor and propellers, were recovered on May 15. The analysis on the cause of the sinking initially left open every possibility and explored the possibilities of a non-explosion, internal explosion or external explosion for causing the sinking. However, a detailed investigation following the salvage of the ship eliminated the possibilities of a non-explosion and internal explosion, leading the JIG to assess that an external explosion, and more specifically an underwater explosion, was the most likely cause behind the sinking. The possibility of a non-contact torpedo generating an underwater explosion was assessed to have the highest likelihood and the possibility of a moored mine was not ruled out despite its low likelihood. The basis of our assessment that a torpedo attack caused the sinking is as follows: First, precise measurement and analysis of the damaged hull showed that a shockwave and bubble effect caused significant upward bending of the Center Vertical Keel compared to its original state. The shell plating was steeply bent with parts of the ship fragmented. On the main deck, fractures occurred along the large openings used for the maintenance of equipment in the gas turbine room and the portside was deformed significantly in an upward direction. The bulkhead of the gas turbine room was significantly damaged and deformed. The upward bending of the bottom of the stern and bow proves that an underwater explosion occurred. Second, a thorough investigation of the interior and exterior of the ship found evidence of extreme pressure on the fin stabilizer (which prevents significant rolling of the ship); traces of high water pressure and bubble effect on the bottom of the hull; and wires cut with no traces of heat; and traces of spherical pressure on the gas turbine room. The above indicate that a strong shockwave and bubble effect caused the splitting and sinking of the ship. Third, the JIG analyzed statements made by survivors that they heard a near simultaneous explosion once or twice and water was splashed on the face of the port lookout who fell from the impact. Furthermore, the statements were made by coastal sentries on Baekryong Island that they saw a 100-meter high pillar of white flash for 2~3 seconds. The analysis of these testimonies indicated that the aforementioned phenomena are consistent with the occurrence of a water plume resulting from a shockwave and bubble effect. Also, no traces of fragmentation or burn injury were found from our examination of the wounded survivors and the deceased service members, while fractures and lacerations were observed. These observations are consistent with phenomena resulting from a shockwave and bubble effect. Fourth, the seismic and air acoustic wave analysis conducted by the Korea Institute of Geoscience and Mineral Resources (KIGAM) showed the following. A seismic wave of magnitude 1.5 was detected at 4 stations. Two air acoustic waves with a 1.1 second interval were detected at 11 stations. The seismic and air acoustic waves originated from an identical site of explosion. All these are consistent with the phenomena that arise from a
shockwave and bubble effect produced by an underwater explosion. Fifth, the 1st analysis result by US team, from the hull deformation showed that the possible explosion type is an explosion of TNT equivalent of 200~300kg charge size at a point of 3m to the port from the central bottom of the gas turbine room, and at a depth of 6~9m. 2nd analysis result on simulation, by the ROK, resulted in the identical location, with TNT equivalent 250~360kg charge size. The efforts on this was also supported by the UK Investigation Team. Sixth, based on the analysis of tidal currents in the vicinity of Baekryong Island, the JIG determined that although the currents would have had a minimal influence on the launch of a torpedo, they were strong enough to limit the emplacement of mines. Seventh, analysis of the explosive residue found HMX from 28 locations including the stack and fractured surface; RDX from 6 locations including the stack and seabed; and traces of TNT from 2 locations including the fin stabilizer. Based on this analysis, the use of an explosive compound containing HMX, RDX, and TNT was confirmed. Lastly, on May 15, 2010, the JIG recovered conclusive evidence that confirmed the use of a torpedo while conducting a detailed search in the vicinity of the incident location using special nets. The conclusive evidence was a torpedo propulsion motor system including propellers, a propulsion motor and steering section. The evidence is consistent in its size and design to the torpedo schematics included in an introductory brochure produced by North Korea for export purposes. A composition analysis of the adhered materials from ROKS Cheonan showed that the materials are identical to that found on the rear section of the torpedo. The Korean marking ‘1?(No. 1 in English)’ inside the rear section of the propulsion system is also consistent with the marking of a North Korea test torpedo obtained in 2003. The above evidence confirm that the recovered torpedo parts were manufactured by North Korea. In conclusion, taking the entirety of the analysis results of the CIV-MIL Joint Investigation Group and Multinational Combined Intelligence TF on the following factors into consideration - the torpedo propulsion system recovered from the incident location, deformation of the hull, statements by related personnel, medical examination of the deceased and wounded service members, seismic and infrasound waves, simulations of underwater explosions, tidal currents in vicinity of Baekryong Island, analysis of explosive components, recovered torpedo parts, and the identification of the perpetrator - the JIG and MCITF concluded the following: ROKS Cheonan was split and sunk due to shockwave and bubble effect generated by the underwater explosion of a torpedo. The detonation location was 3m to port from the center of the gas turbine room and at a depth of 6~9m. The weapon system used was a CHT-02D torpedo with approximately 250kg of explosives manufactured and used by North Korea."

South Korea’s formal accusation that a North Korean torpedo sank one of its warships, killing 46 sailors, will set off a diplomatic drumbeat to punish North Korea, backed by the United States and other nations, which could end up in the United Nations Security Council. This morning in Seoul, the South Korean government presented forensic evidence, including part of a torpedo propeller with what investigators believe is a North Korean serial number. They said it proved that the underwater explosion that shattered the 1,200-ton corvette, the Cheonan, in March near a disputed sea border with the North was caused by the detonation of a torpedo. On May 24, South Korea is expected to push for the case to be referred to the United Nations, and the United States plans to back Seoul “strongly and unequivocally,” according to Obama.
administration officials. The investigation “points overwhelmingly to the conclusion that North Korea was responsible for this attack,” the White House said in a statement after the report was released in Seoul. “This act of aggression is one more instance of North Korea’s unacceptable behavior and defiance of international law.” North Korea dismissed the findings as a fabrication and warned that it would wage “all-out war” if it were punished, North Korea’s official Korean Central News Agency reported. The sharp escalation of tensions on the Korean Peninsula complicates a trip to China by a delegation of senior American officials, led by Secretary of State Hillary Rodham Clinton and Treasury Secretary Timothy F. Geithner, to hold a so-called Strategy and Economic Dialogue. Nearly 200 American officials will travel to Beijing this weekend to consult with their Chinese counterparts on an array of issues, including sanctions against Iran, China’s exchange rate, climate change policy and exchanges between the American and Chinese militaries. Yesterday, South Korea briefed Chinese diplomats, as well as those of other countries, about its findings. “China has always tried to avoid making choices between North and South Korea, but an incident like this doesn’t allow that,” said Victor Cha, a former Bush administration official, responsible for North Korean policy, who now teaches at Georgetown University. “They have to choose.” For the United States, the calculus is also complicated. The Obama administration just won China’s backing for a fourth round of United Nations sanctions against Iran related to its nuclear program. That, some analysts said, was the administration’s main strategic priority at this point. Still, the United States has been deeply involved in the South’s investigation of the sinking. It sent a team from the Pacific Command to take part in the search for clues, officials said, headed by an expert in submarine escape and rescue, Rear Adm. Thomas J. Eccles. Australia, Canada, Britain and Sweden also took part in the investigation and will endorse its conclusions, officials said. South Korea, the officials said, wanted to have an international team so it would be harder for the North to dismiss the inquiry as politically motivated. South Korea is weighing other measures against North Korea, which could include cutting imports of raw materials from the North. Those shipments have already been constricted since the North closed several North-South joint-venture companies north of the border. South Korea could also undertake naval exercises in its coastal waters as a form of muscle-flexing, Cha said, perhaps in cooperation with the United States. But the world’s leverage over North Korea is extremely limited, analysts said. The North has little trade with its neighbors, aside from China. It no longer admits United Nations inspectors to visit its nuclear facilities and announced in 2003 that it would withdraw from the Nuclear Nonproliferation Treaty. Japan said that the report on the sinking would make it harder to resume six-party talks with North Korea over the fate of its nuclear program. Kurt M. Campbell, the assistant secretary of state for East Asian and Pacific affairs, said he discussed Mr. Kim’s visit with Chinese officials earlier this week. He predicted that it would be a prime topic for Mrs. Clinton when she meets with Dai Bingguo, a state councilor in charge of foreign affairs. “A central issue of discussion for Secretary Clinton and her Chinese interlocutors, Dai Bingguo and also the Chinese leaders, will be on their assessments of developments in North Korea and their reaction to the report,” he said. (Mark Landler, “Diplomatic Storm Brewing over Korean Peninsula,” New York Times, May 20, 2010, p. A-8)
In a telephone conversation with Australian Prime Minister Kevin Rudd earlier today, Lee said he will “take resolute countermeasures against North Korea and make it admit its wrongdoings through strong international cooperation and return to the international community as a responsible member.” He emphasized the secretive communist regime’s past record of denying its military provocations and terrorist attacks against the South. But such a practice will not be allowed this time, Lee stressed, citing material evidence that he said “no country and no one can refute.” Presidential spokesman Park Sun-kyoo said Lee “will review (related steps) and make a conclusion before long.” The National Security Council (NSC) meeting has been scheduled for early Friday morning in which “overall security situations and countermeasures (against North Korea) will be broadly discussed,” according to the spokesman. (Lee Chi-dong, “Lee Vows Resolute Measures against N. Korea,” Yonhap, May 20, 2010)

DPRK National Defense Commission statement: “We had already warned the South Korean group of traitors not to make reckless remarks concerning the sinking of warship Cheonan of the puppet navy. Nevertheless, the group of traitors had far-fetchedly tried to link the case with us without offering any material evidence. It finally announced the results of the joint investigation based on a sheer fabrication, which assert that the warship was sunken by our torpedo attack, in a bid to mislead the public opinion inside and outside Korea. It is, at the same time, crying out for ‘punishment’ and ‘retaliation’ internally and foolishly seeking to prod the international community into applying additional ‘sanctions’ against the DPRK. What matters is that traitor Lee Myung-bak is taking the lead in such anti-DPRK smear campaign, even daring slander the headquarters of our revolution. Meanwhile, Kim Thae Yong and other gangsters of the South Korean puppet military accustomed to flattery and blind obedience echo Lee Myung-bak’s outbursts. This smear campaign is fanned up by Ryu Myung Hwan and other ultra-rightist conservatives of South Korea. This is also joined by the U.S. and Japanese aggressors who are making desperate efforts to keep their hostile policy towards the DPRK on its orbit. ... What is evident is that the sinking of warship Cheonan can never be construed otherwise than a ‘conspiratorial farce’ and ‘charade’ orchestrated by the group of traitors in a deliberate and brigandish manner to achieve certain political and military aims because only 46 soldiers met miserable deaths while officers survived the case. ... The National Defense Commission of the DPRK responsible for the defense of the country and the security of the nation clarifies the principled stand of our army and people in view of the grave situation where the sinister plot of the group of traitors may lead to reckless actions against us. 1. As the group of traitors declared that the sinking of the warship ‘Cheonan’ is linked with us, the NDC of the DPRK will dispatch an inspection group to the spot of South Korea to verify material evidence concerning the linkage. The group of traitors should produce before the dignified inspection group of the DPRK material evidence proving that the sinking of the warship is linked with us. We remind the group of traitors in advance that there should be not a shred of doubt about the material evidence to be produced before the inspection group. 2. Our army and people will promptly react to any ‘punishment’ and ‘retaliation’ and to any ‘sanctions’ infringing upon our state interests with various forms of tough measures including an all-out war. The all-out war to be undertaken by us will be a sacred war involving the whole
nation, all the people and the whole state for completely eliminating the strongholds of the group of traitors who orchestrated “the conspiratorial farce” and “charade” and their followers and building instead a reunified power in which the whole nation emerges powerful and prosperous. The tough countermeasures to be taken by us will prove to be practical actions of justice for dealing unpredictable sledgehammer blows at the group of traitors who blocks national reconciliation and unity and stirs up an atmosphere of confrontation in the South Korean society. 3. Now that the group of traitors declared what it called ‘decisive actions,’ we will brand any small incident that occurs in the territorial waters, air and land where our sovereignty is exercised including the West Sea of Korea as a provocation of confrontation maniacs and react to it with unlimited retaliatory blow, merciless strong physical blow. It is our invariable iron will to react to ‘retaliation’ with more powerful retaliation and to ‘punishment’ with indiscriminate punishment of our style. Availing ourselves of this opportunity, we sternly warn the U.S. and Japanese authorities and riff-raffs, their poor lackeys, to act with discretion. The world will clearly see what dear price the group of traitors will have to pay for the clumsy ‘conspiratorial farce’ and ‘charade’ concocted to stifle compatriots.” (KCNA, “Spokesman for National Defense Commission Issues Statement,” May 20, 2010)

DoS Daily Briefing: “Q: In light of the investigation results from the ship sinking, is the Administration considering any unilateral action against North Korea to include putting them back on the list of state sponsors of terrorism? CROWLEY: Let’s take this step by step. The Secretary obviously left in the last couple of hours for her trip to Asia. As Kurt Campbell indicated here yesterday, we would expect North Korea to be a significant topic of conversation as we meet with officials in Tokyo, in Beijing, and in Seoul. As he also said, and I think we reaffirmed in a White House statement last night, we are committed to support South Korea through this effort. We think this was a very thorough, intensive, scientific investigation. We think the results are categorical. We will obviously consult closely with the five parties as to what the appropriate next steps should be. That’s one of the reasons why the Secretary will be meeting with her counterparts in Tokyo and Beijing and Seoul. We have, obviously, an array of existing authorities available to us. We’ll continue to evaluate whether there’s other measures that we can take within those authorities, the most recent being Security Council Resolution 1874. But I think right now, we’re focused on supporting South Korea as it itself goes through the process of determining what it would like to see the international community do. Q: You’re not contemplating any unilateral steps at this point? CROWLEY: I’m ruling out any unilateral steps. We will be consulting closely. I think one of the hallmarks of our policy towards North Korea over the past 15 months has been the strong consensus that we have had and maintained with China, with Russia, with Japan, with South Korea, on this process. It was a matter that, after a series of provocative steps with North Korea last year, the Council acted aggressively and affirmatively in passing 1874. We’ve seen over many months aggressive implementation of 1874 and other resolutions. So there are tools that are already available to us. We will be looking at what other steps we might take, but we will do this in close consultation with our partners. Q: (Inaudible) back on the terrorism list? You didn’t answer my question about the terrorism list. CROWLEY: Well, I mean, regarding terrorism, there is a significant and detailed process that the United States
goes through under our laws to list a state as a state sponsor of terrorism. North Korea has been on that list in the past. It is not currently on that list. So that is a course that is available to us. But as the President has said, we will follow this based on the facts. There is - there will be - I think as we go through this, there’s a definitional question as to whether this activity meets the criteria under that law, but we will -- Q: Do you consider that a terrorist act? Aren’t the two countries at war? Isn’t it more of an act of war? CROWLEY: Clearly, as the White House statement said last night, this was a violation of the existing armistice. This was a clear act of aggression by North Korea against South Korea. Q: A country it’s at war with, right? CROWLEY: Well, yeah. And I mean, there is a clear definition of terrorism. Terrorism normally involves acts of violence against innocent civilians. At one level, this was a torpedo fired by one military vessel at another military vessel. So I’m sure that we will review these issues and we will follow that process and our law. Q: Well, also, I mean, this had nothing really to do with you. I mean, it was a horrible and heinous attack, but it was from one country to another that isn’t you. So I mean, do you expect that any action you would take would be in the realms of international instruments like the United Nations or something? I mean, you don’t really have diplomatic relations with North Korea. CROWLEY: I mean, that’s a very good point. I mean, this was the deliberate sinking of a South Korean vessel by a North Korean torpedo. But we have a shared interest and a shared responsibility. South Korea is a very close ally of ours. We will continue to support South Korea through this. We will be guided by actions that South Korea wishes to take. We all have a mutual interest in a stable and peaceful and secure Korean Peninsula. In that regard, there are clearly things that North Korea must do. It must recognize that provocative actions will not be tolerated and that there will be consequences for those. Q: Just to clarify my understanding of your answer to my question about the terrorism list, is it correct to say that you are not going through that process that you described to consider putting them back on the list? You’re not -- CROWLEY: I’m not ruling out that we will take a look at this. I’m simply saying that there are set criteria that - and a threshold that one has to meet to list a country as a state sponsor of terrorism. And I think there is a legitimate question as to whether this specific act is - it is clearly an act of aggression. It may or may not be considered an act of terrorism. Q: So it sounds like you’re making a political – you’re making a political judgment as to whether they should be on the list, when you pretty much are saying that the legal criteria doesn’t apply. CROWLEY: What I’m saying is that there are fine and outstanding lawyers here at this Department of State and elsewhere within the federal government. I am confident that probably somewhere in this process we’ll take a look at our understanding of what happened here and we will be looking at a range of tools that are available to us to make clear to North Korea that these kinds of provocative actions will not be tolerated. Q: Speaking of provocative actions, it’s been just about a year since North Korea launched the missile which led to 1874. Is there any concern that there may be a similar sort of action in the offing over the next few weeks? CROWLEY: Boy, I’m not sure anybody makes any money by making any predictions about North Korea and what they’re capable of doing. (Laughter.) Q: But aren’t you guided in your response by not provoking them to take provocative actions? CROWLEY: Well, we – there are things that we definitely want to see them do, and certainly, ceasing the string of provocative actions that undermine peace and security in the region is fundamental. They have a range of responsibilities under the 2005
agreement and other responsibilities, and North Korea must fulfill those responsibilities if they have any hope of changing their relationship with the United States or other countries in the region. But it wouldn’t surprise us if we go through a period of time where you see rhetoric. I mean, who knows why North Korea chose to take this action? Q: North Korea also said that it would take more offensive action if South Korea tried to impose any sort of sanctions. Since the U.S. is calling itself a very close ally, what is the U.S. prepared to do to protect South Korea? CROWLEY: Well, we are firmly committed to the security of South Korea. It’s why we have an alliance with South Korea. We have our forces there to secure South Korea and the peninsula. So we will continue to support South Korea throughout this process. Q: Will you consider new naval maneuvers, maybe in the Yellow Sea where the incident occurred? CROWLEY: Again, the Secretary is off on her trip. We will be consulting closely with officials in Japan, China, Korea about this. And we will work closely and collaboratively as we work through this, just as we have in the past. So as you’re highlighting, there are a range of actions that we can take collectively, there are actions that we could take with our own authorities. We have the ability to - we have the authority to take unilateral actions in the financial sector and other areas. I’m confident that given this tragedy, we will look at how we can send a clear signal to North Korea. Q: Was there a message sent to Seoul to not try to retaliate in a military fashion? CROWLEY: I don’t think that kind of message was necessary. We will be consulting closely with South Korea. We have - we were an integral part of the investigation. We have been talking to South Korea throughout this process. That’s one of the reasons why the Secretary is stopping in Seoul after Beijing, so we will have the opportunity to have high-level consultations, determine what South Korea believes the appropriate actions is, and we are pledged to support them as we respond to this. Q: Backing up on a question about the terrorism list, is the process for designating someone or not designating someone on that list consideration, as you suggested, of the objective factors with technical experts, or is it a function of our bilateral relationship with that country? CROWLEY: (Laughter.) If you’re listing a country as a state sponsor of terrorism, having firm evidence that they are, in fact, a state sponsor of terrorism, I would think, would be one of those criteria. Look, I mean, this is a very specific and arduous, and justifiably so, legal process because it has significant ramifications, not only for - it in that bilateral context but in a multilateral context. So this is not something that anyone would do lightly, and there is an evidentiary standard here that has to be applied. Q: But also, I mean, don’t they have to have launched - supported a terrorist attack which killed American citizens? CROWLEY: I don’t necessarily think that that’s - I mean, if they are a state sponsor of terrorism, that can be terrorism directed at the United States. I certainly think that there’s - part of that criterion would be their threats to us, their threats to allies. I don’t think it would be difficult to construct a scenario where North Korea poses a threat to the United States or to our interests. The real issue is there are specific criteria that are part of this process. I’m sure - confident that we’ll review this matter as we determine how to respond to what has occurred. But we will be guided by our laws and we’ll also be guided by working collaboratively with the other countries in the process, what we think is the most effective actions and appropriate actions to take at this point in time. Q: (Inaudible) any possibility for you to take up these allegations that North Korea is (inaudible) arms to terrorism groups like Hezbollah or Hamas in order to -- CROWLEY: Again, I’m confident that we will be
reviewing a range of ideas, and we have a range of tools available to us. And we will be
guided by not only what's available to us that we think can have an impact on the
thinking of North Korean leadership, but also working with our partners in this process
what we think the most effective steps in the coming weeks and months should be. Q:
Even after the announcement of this investigation, China is still calling for the
resumption of the Six-Party Talks. What's your response to that? CROWLEY: Well, I -
our response is that we will have talks with Chinese officials during the Secretary's trip
and we'll be comparing notes on how we view what has occurred and what should
occur now. I think in Chinese comments in recent days, they've indicated that they as
well will be guided by the facts that were presented in this investigation. And we find
those facts to be very, very compelling. Q: What's your position on the Six-Party Talks
after -- CROWLEY: Look, our position is that we're going into consultations in the
coming days with our Japanese, Chinese, and South Korean partners in this process.
We will obviously take light of what has occurred, review the specific findings in the
investigation and the range of steps that are available to us both on a multilateral basis
and a bilateral basis, and will be guided - we will work collaboratively as we have for
the last year. Q: North Korea challenged the investigation outcome and said they will
send an investigation team to - it will send its own investigation team to South Korea to
examine the investigation outcome. Do you have any comment on that? CROWLEY: If
North Korea wants to start an investigation to see if they have any torpedoes missing,
that would be a good way - place to start. (Laughter.)" (DoS, Daily Briefing, Assistant
Secretary of State Philip J. Crowley, May 20, 2010)

U.S. officials refused to call North Korea's torpedoing of a South Korean warship an act
of war or state-sponsored terror, warning that an overreaction could cause the Korean
peninsula to "explode." The tempered response was an indication of how few options
President Barack Obama has, and how volatile the situation is, after an international
team of investigators said a North Korean sub torpedoed and sank a South Korean
corvette March 26. While the U.S. has vowed to defend South Korea – and has 28,500
troops there to prove it – it doesn't want to provoke new hostilities or spark chaos in
the region. "There's no interest in seeing the Korean peninsula explode," said P.J.
Crowley, DoS spokesman. Republicans suggested the Obama administration's
response was too mild. "We cannot continue to dismiss actions by North Korea as
'more of the same,'" said Sen. James Inhofe, a conservative Republican from
Oklahoma. Sen. John McCain of Arizona, the top Republican on the Senate Armed
Services Committee, said the U.S. response "must be serious and immediate" and
urged China to "work more responsibly than it has thus far for the security and stability
of East Asia." Rep. Edward Royce of California, the top Republican on the House
Foreign Affairs subcommittee on terrorism, said the U.S. and South Korea should
present the evidence on the Cheonan sinking to the U.N. Security Council. "We cannot
allow North Korea to take the lives of 46 South Korean sailors with a torpedo attack
and pretend it didn't occur," Royce said in an interview yesterday. Asked repeatedly by
reporters about the U.S. military reaction, Defense Secretary Robert Gates would only
say that he "accepts" South Korea's assertion that North Korea was to blame for the
blast that ripped the 1,200-ton Cheonan in two. "The key thing to remember here is
that this was an attack on a South Korean ship, and the South Koreans need to be in
the lead in terms of proposing ways forward," Gates told reporters. Adm. Mike Mullen,
chairman of the Joint Chiefs, also declined to discuss a U.S. response other than to confirm that American troops stationed on the Korean peninsula were not on a heightened state of alert. Republicans sounded a sterner note, suggesting the U.S. push quickly for a tough international response. (Anne Flaherty and Matthew Lee, “Pentagon Won’t Say Ship Sinking Is an Act of War,” Associated Press, May 20, 2010)

Despite what appears to be the bloodiest North Korean attack for more than two decades, there has been no outpouring of public rage against Pyongyang. On a superficial level, South Koreans, particularly the young, appear to have become desensitized to North Korea’s behavior, or even embarrassed by it, having experienced decades of terrorist attacks and nuclear brinkmanship. The loss of the warship has also exposed South Koreans’ mistrust of whatever the government says and a historic sense of fraternity with the North, feelings that can override strategic dangers. “The government seems to be hiding something. If not, why did it take so long to announce the conclusion?” said Bae Sung-hoon, a 37-year-old office worker. Polls indicating whether South Koreans believe that North Korea was responsible for the sinking diverge from 40 percent to 80 percent. Many ordinary South Koreans say that their government is merely seeking a convenient scapegoat for what was a “friendly fire” incident involving the U.S. military. (Christian Oliver and Song Jung-a, “Seoul Blames Pyongyang for Sinking of Warship,” Financial Times, May 20, 2010, p. 2)

PM Hatoyama Yukio said North Korea’s action should be strongly condemned by the international community. Amid growing tension in Northeast Asia, Hatoyama said he wants China, Pyongyang’s traditional ally, to act together with other countries to prevent a recurrence of “this kind of unbelievable act.” “We support South Korea’s stance,” Hatoyama told reporters at the premier’s office in the evening after an international investigation concluded the North’s involvement in the deadly sinking is clear. He said Japan will “take the lead” in addressing the issue in the international community if South Korea decides to seek a U.N. Security Council resolution following the release of the investigation results. Earlier in the day, Cabinet members responsible for Japan’s security, including FM Okada Katsuya and Defense Minister Kitazawa Toshimi, met and agreed to be ready for any eventuality by working closely with Seoul and Washington. Following the meeting, Kitazawa asked senior officials at the ministry and the Self-Defense Forces to strengthen surveillance activity around Japan, as North Korea said it is poised to react to any punishment “with various forms of tough measures including an all-out war.” Top Japanese government spokesman Hirano Hirofumi said at a news conference, “You never know what will happen,” referring to rising tension on the Korean Peninsula. (Kyodo, “Japan Says N. Korea Must Be Strongly Condemned for Ship Sinking,” May 20, 2010)

More than 70 percent of South Koreans say they trust the joint investigation team’s conclusion that a North Korean torpedo sank the Cheonan. According to the survey, 72 percent said the Cheonan incident was caused by North Korea as announced by the investigation team. Only 21.3 percent rejected the announcement. On Seoul’s most desirable response, the number of respondents opposed to military countermeasures (59.3 percent) was double that supporting the idea (30.7 percent).
On if South Korea should stop inter-Korean economic cooperation and close the Kaesong industrial complex, 46.1 percent said no and 42.8 percent said yes. On government sanctions on North Korea via international cooperation such as referring the incident to the U.N. Security Council and imposing financial sanctions on Pyongyang, 75.9 percent were in favor and 15.2 percent opposed. On wartime operational command slated for transfer from the U.S. to South Korea in 2012, 42.3 percent said it should be delayed and 9.3 percent wanted an annulment. Only 32.3 percent said they wanted the transfer to proceed. In the survey, 60.6 percent showed a positive attitude toward President Lee Myung-bak’s response and crisis management capabilities, while 33 percent were negative. The Dong-A Ilbo commissioned the Korea Research Center to survey 700 adults on the announcement of the joint investigation team May 19-20. (Dong-A Ilbo, “72 Pct Say N.K. Caused Cheonan Sinking,” May 22, 2010)

5/21/10 North Korea’s intention is to send a fact-finding team to prove that it had nothing to do with the sinking of the Cheonan. But in reality, there is a far deeper and broader strategy at play in the context of inter-Korean relations and the geopolitics of the Korean Peninsula. “It is unprecedented in the history of inter-Korean relations for North Korea to propose sending an investigation team in response to an issue that has been deemed a ‘military provocation by North Korea,’” said Kim Yeon-chul, professor of unification studies at Inje University. “The Cheonan situation has entered a new phase.” “Regardless of whether the government accepts or rejects North Korea’s proposal, the situation will inevitably unfold in a different manner from what the government had initially planned for the days ahead,” said a former senior figure who worked at the Unification Ministry and the Cheong Wa Dae. If the government does not accept the proposal, there is a considerable chance that it will find itself in a difficult position in future discussions with the international community, including the UN Security Council. In this sense, North Korea’s counterproposal to send its own review team is a double-edged sword for the South Korean government. “The government has found itself in a confining situation,” said Former Unification Minister Jeong Se-hyun. Also noteworthy is the fact that in addition to North Korea’s formal announcement of an “NDC spokesperson’s statement,” the country also made an informal proposal through an inter-Korean authorities’ channel to send the review team on Friday and Saturday. This indicates the possibility that the proposal may not simply be a political offensive. “North Korea’s proposal is positive in that it is an attitude of ‘finding the truth based on the facts’ rather than a military response,” said Jang Yong-seok, research director at the Institute for Peace Affairs. “If the government rejects North Korea’s proposal, it could face an irremediable crisis of trust within and outside the country.” “The government must accept North Korea’s proposal,” said Jang. “There also appears to be an intention on North Korea’s part of using this review team proposal as part of an attempt at new dialogue between North Korean and South Korean authorities,” said a former high-ranking official. The official added, “It suggests that so long as South Korea does not enact provocative measures, North Korea does not want tensions to heighten due to the Cheonan issue.” Perhaps because of this complex array of factors, the government has shown a cautious approach to the proposal from North Korea. “The investigation will begin at the UN Command Military Armistice Commission according to the armistice agreement, and we only need to follow that procedure,”
said Park Jung-yi, military head of the joint civilian-military fact-finding team. *(Hankyore, “N. Korea’s Reinvestigation Proposal Alters Cheonan Situation,” May 21, 2010)*

Until now, military officials have been saying they did not detect any unusual military movements from North Korea. “From March 24 to 27, the military detected two North Korean Sango Class Submarines, but the likelihood of their connection to the sinking was judged to be weak.” said Defense Minister Kim Tae-young before the National Assembly on April 2. “We have not detected any unusual movements from the North Korean military,” said U.S. Combined Forces Command Commander General Walter Sharp through a press release on March 28, two days after the sinking. In other words, at the time, the Sango Class Submarine that was detected around the time of the sinking was not believed to be directly connected with the sinking, while the Yono Class Submarine was not detected at all. The investigation team confirmed that around the time of the attack, they had been unable to clearly identify the submarines that had left the base. A military intelligence official said later, through comprehensive analysis of all sorts of intelligence material, including communication intercepts, video footage and human intelligence, they belatedly learned that a Yono Class Midget Submarine had left with its mother ship. This explanation, however, failed to clarify all questions. A joint South Korean-U.S. naval exercise involving several Aegis warships was underway at the time, and the Cheonan was a patrol combat corvette (PCC) that specialized in anti-submarine warfare. The question remains whether it would be possible for a North Korean submarine to infiltrate the maritime cordon at a time when security reached its tightest level and without detection by the Cheonan. “If the North Koreans were to try an ambush in revenge for the Daecheong Island naval clash, they would have done so only after they were certain of success following several infiltration exercises in the waters off Baengnyeong Island,” said a former Navy admiral. “The investigation team announcement basically stated that North Korea had planned an attack with a low probability of success on paper and successfully carried it out on one attempt, but that assessment lacks military credibility.” In fact, if things transpired as the investigation team announced, then a North Korean submarine penetrated the South Korean-U.S. surveillance net, waited precisely where the Cheonan would be approaching, sank the Cheonan in one shot, and then leisurely disappeared after completely avoiding a naval anti-submarine net that included the Naval ship Sokcho and Linx helicopters. Some have stated that while it was possible the Cheonan was unable to detect the submarine, it remains difficult to understand how it could not detect the torpedo launch. “A submarine is supposed to be difficult to detect military, but most torpedoes can be detected,” said Kim Jong-dae, editor-in-chief of defense journal D&D Focus. “It is doubtful they would have been completely unable to detect the launch.” One military official explained they were unable to detect the torpedo since the one used in the attack had a different audio range from those ascertained by the South Korean military, but some respond that it is difficult to understand why they would not have the audio information contained even in brochures regarding a torpedo that has been produced since the 1980s. Accordingly, in order to clear up these doubts, some are calling for the military authorities to release the communication intercepts to show the North Korean submarine’s intent to attack. The investigation team, however, has reportedly been unable to secure intelligence data that would confirm clearly the
circumstances of the attack besides the fact that the Yono Class Submarine left its base in North Korea. There are also some questions regarding the North Korean torpedo fragment, which was presented as conclusive evidence. First, some experts stated that the marking 1 beon, No. 1, presented as key evidence that it was a North Korean torpedo, is different from typical North Korean markings. “North Korea does not frequently use the term beon.” said one North Korea expert. “Instead, they use the term ho, as in Daepodong 1-ho, Gangnam 1-ho, etc.” In fact, a North Korean training torpedo obtained by the South Korean military seven years ago was marked “4 ho.” In light of the fact that the beon discovered on the torpedo fragment and the ho found on the training torpedo are different, the investigation team could not have conducted a precise handwriting analysis. The team said it would consider a plan to determine the similarity through ink analysis, but it is uncertain whether a clear answer will result. (Hankyore, “Questions Raised Following Cheonan Announcement,” May 21, 2010)

After Clinton-Okada meeting in Tokyo FM OKADA: (Via translator) “This is my fifth meeting with Secretary Clinton since last September. We had a very candid exchange of views. In today’s meeting we had discussions centering on the regional situations in Asia, and the response to the Iranian nuclear issue -- but of course, other themes as well. Instabilities and uncertainties as represented by the sinking of the ROK Navy corvette are becoming visible. And the Japan-U.S. alliance is, therefore, all the more important. Against this backdrop, this meeting, I believe, was important and timely for the purpose of addressing these situations through mutual cooperation, with common awareness of them between Japan and the United States. And, as such, it is gratifying that Secretary Clinton has visited Japan. With regard to the sinking of the Korean corvette, we discussed the response we should take following the announcement yesterday of the results of the investigations. Setting aside details, we confirmed that coordination among Japan, U.S., and ROK, including our future response, is important, and that we shall maintain close communication with each other in addressing the matter. As the Secretary is on her way to attend the U.S.-China Strategic and Economic Dialogue, I explained to her the results of the Japan-China-ROK Trilateral Foreign Ministers meeting, as well as the Japan-China Bilateral meeting held in its margins, and exchanged the views on Japan-China and U.S.-China relations, as well. On the Iranian nuclear issue, while we will need to watch how the recent agreement between Iran, Turkey, and Brazil will play out, we see eye to eye that the cause for concern remains unchanged as Iran has publicly stated that it will continue the enrichment of uranium to approximately the 20 percent level. I told Secretary Clinton that Japan will actively play a role in the discussions for a new UN Security Council resolution in order to enable the international community to put out a unified message. We confirmed that our two countries will continue to work closely together. We confirmed afresh the significance of the Japan-U.S. alliance, including the above-mentioned exchange of views, and we shall carry on our consultations to further deepen the alliance. On the question of relocating the Futenma air station, working-level officials of our two countries were having a meeting today, as well. And I also explained Japan’s position on this. Talks are proceeding intensively between Japan and the United States. Both Japan and the United States will make further efforts towards a settlement by the end of May.

CLINTON: “We had a detailed discussion on the results of the international investigation into the sinking of the Korean military vessel. This was a thorough and
comprehensive scientific examination, and the United States and other international observers were deeply engaged. The evidence is overwhelming and condemning. The torpedo that sunk the Cheonan and took the lives of 46 South Korean sailors was fired by a North Korean submarine. And the United States strongly condemns this act of aggression. As Minister Okada and I discussed, we will be in deep and constant consultations, not only between the United States and Japan, but also with South Korea, China, and others to determine our response.” (Secretary of State Clinton, Joint Press Availability with Foreign Minister Okada, Tokyo, May 21, 2010)

DPRK Foreign Ministry statement: “denouncing the United States for pulling up the DPRK, absurdly asserting that the sinking of a south Korean warship was an attack made by north Korea and challenge to the international peace and security: This betrays the intention of the U.S. to stir up the atmosphere of international pressure upon the DPRK by backing the Lee Myung Bak group of traitors of south Korea, the statement said, and went on: This indicates that the U.S. is invariably pursuing a hostile policy towards the DPRK to isolate and stifle it. As the DPRK had already clarified, it has nothing to do with the case. The DPRK has always abided by international law but the U.S. made such absurd assertion which reminds one of a thief crying ‘Stop the thief!’ The fabrication of the case and the ‘results of the investigation into it’ are, in the final analysis, nothing but a farce orchestrated by the group of traitors with the approval of the U.S. and under its patronage. The U.S. claimed that there was hardly any side which was ready to do so except north Korea and that the cause of the sinking of the warship was most likely a torpedo attack by north Korea even before the announcement of the results of the investigation, paying lip-service to scientific and objective investigation. From the very day the case occurred, the U.S. branded the DPRK as a "suspect" and led the investigation into the case in that direction. Prompted by its miscalculation that the DPRK would yield to its sanctions, the U.S. chose to shun dialogue and negotiations under the signboard of strategic patience. The DPRK and the U.S. were in negotiations over the issue of holding another round of talks in New York in the wake of the Pyongyang bilateral talks held in December of 2009. This was part of the efforts to finally revive the framework of the six-party talks according to the third phase proposal made by China, the host country of the talks. But the Obama administration of the Democratic Party which was defeated by the Republican Party in the by-election to the Senate that took place in January after it was criticized for being weak in the foreign policy again made a switchover to a hard-line policy, totally derailing even the process for the denuclearization of the Korean Peninsula by linking the DPRK with the above-said case. It is the intention of the present U.S. administration to suffocate the DPRK politically and economically by internationalizing the sanctions against the latter and use south Korea as a servant for executing its Asian strategy. The U.S., however, should know that it is not so easy to pull the wool over the eyes of the world people. They vividly remember upbeat and ‘persuasive’ U.S. Secretary of State Powell reading top secret information about the existence of weapons of mass destruction in Iraq for 70 minutes at the meeting of the UN Security Council held in February of 2003. It was with such unprecedented lie that the U.S. justified an armed invasion of Iraq and it is still not free from such disgraceful fallout. Should the U.S. tell another lie on the Korean Peninsula and let its running dogs strain the situation, they will have to pay a price incomparably dearer than what the U.S. has done for the Iraqi
war. The U.S. and its vassal forces will witness only the reality of prospering socialist Korea quite contrary to what they had dreamed for such a long time. **It is the invariable policy of the DPRK to realize the denuclearization of the peninsula and protect the stability and peace of the region but it will not allow any slightest act to infringe upon its sovereignty and right to existence.**” (KCNA, “Foreign Ministry Accuses U.S. of Linking with South Korea Ship Sinking,” May 21, 2010)

North Korea’s defense minister suddenly recalled an inter-Korean agreement which he said would allow inspectors from Pyongyang to verify evidence in the sinking of the Navy corvette Cheonan. North Korea had completely neglected and declared null and void the 1992 Basic Agreement between the two Koreas, but now Kim Yong-chun said it obliges the South to “unconditionally allow an inspection group” from the North’s National Defense Commission to look into the accusations that Pyongyang sank the ship on March 26. Kim said in a statement sent to Seoul, **“There is no reason for the South not to allow in our inspectors if the findings of its probe are objective and scientific. It is also justified based on Chapter 2 Article 10 of the Basic Agreement and Chapter 2 Article 8 of the Annex.”** Chapter 2 Article 10 stipulates that North and South Korea must resolve confrontation and disputes through dialogue. Meanwhile, Chapter 2 Article 8 of the Annex states that North and South Korea will conduct a joint investigation if the agreement is violated to find out who is responsible for the violation and seek ways to prevent a recurrence. A South Korean security official said North Korea’s sudden recollection of the agreement “shows how urgent the situation is.” (Chosun Ilbo, “Pyongyang Cites Forgotten Inter-Korean Agreement for Demands,” May 24, 2010)

Japan and the United States broadly agreed on a fresh pact that effectively states that U.S. Marine Corps Air Station Futenma in Okinawa will be relocated to the coast of the Henoko district of Nago, also in the prefecture, as per an existing Japan-U.S. accord, sources said. The pact, expected to be announced May 28, was prepared by FM Okada Katsuya, U.S. Ambassador to Japan John Roos and foreign and defense officials of the two countries. It outlines where to transfer the Futenma base by May 31, the deadline set by PM Hatoyama for settling the issue, and says the two countries will not delay the current environmental assessment being conducted under the existing bilateral deal, the sources said. The existing plan agreed in 2006, which stipulates that two runways in a V-shaped configuration will be built on land to be reclaimed by filling in the sea near U.S. Marine Corps Camp Schwab, has already been subject to nearly three years of environmental assessment. By affirming the assessment process, the new pact effectively states that Japan will follow the existing plan, giving up on a new relocation proposal that would entail a new environmental assessment. The agreement also says the two governments will consider joint usage of the new facility by U.S forces and the Self-Defense Forces, the sources said. The two countries also agreed to transfer part of U.S. drills outside Okinawa in a bid to lessen the burden on the residents of the prefecture, which hosts the bulk of U.S. forces in Japan, according to the sources. However, the agreement fails to specify where the drills will be transferred to and leaves this up to future negotiations. (Kyodo, “Futenma to Stay in Okinawa: New Pact,” Japan Times, May 23, 2010)
DPRK FoMin spokesman as regards the NPT review conference now underway in New York: “Some unsavory forces are busy floating inside and outside the conference hall the assertion that the DPRK should not be recognized as a nuclear weapons state and it should dismantle nuclear weapons and return to the NPT, etc. while finding fault with its withdrawal from the treaty. There is a paragraph in the NPT stipulating that a country may withdraw from the treaty in the event its supreme state interests are put at peril. The DPRK began to go through the procedures for the withdrawal from the NPT according to its Paragraph 10 in 1993 to cope with the emergency situation in which the U.S. became evermore undisguised in posing a nuclear threat to the DPRK while gravely violating its sovereignty by abusing the NPT. According to the treaty, the withdrawal from the NPT shall take effect three months after the notification on it, but the DPRK went through all the formalities for the withdrawal stipulated in the treaty, thus finally putting into force its withdrawal in 2003. This proves that the DPRK handled the withdrawal from the NPT in a serious manner, exercising utmost patience even when its supreme state interests were in jeopardy. In the subsequent period, too, the DPRK manufactured nuclear weapons legitimately by opening to the public all facts in a transparent manner in order to protect the sovereignty of the country and the security of the nation from the increasing U.S. nuclear threat. By all accounts, it was the U.S. that compelled the DPRK to pull out of the NPT and have access to nukes. There were some views taking issue with the DPRK’s access to nukes at the on-going review conference but the DPRK does not care about it as it is outside the NPT. The DPRK is not bound to any duty not to have access to nukes but has legitimate right to steadily bolster up its nuclear deterrent as much as it deems necessary for protecting its supreme state interests. The DPRK does not want anybody to recognize it as a nuclear weapons state nor feels any need to be done so. It is just satisfied with the pride and self-esteem that it is capable of reliably defending the sovereignty of the country and the security of the nation with its own nuclear weapons. The DPRK had never violated the NPT even before its withdrawal from it. There have been breaches of only Paragraph 6 stipulating the nuclear weapons states’ commitment to nuclear disarmament so far. Four decades have passed since the NPT took effect but the destructive power of nuclear weapons existing on the earth has further increased, far from being dismantled in this period. This treaty should not have been extended for an indefinite period from the outset as it recognizes the existence of nuclear weapons states. It should have been replaced by a worldwide treaty for eliminating nuclear weapons. In order to build a world without nuclear weapons, it is necessary to step up nuclear disarmament so as to deprive the treaty of any justification to exist, far from allowing the NPT to remain in force for an indefinite period.” (KCNA, “FM Spokesman on Right to Bolster Nuclear Deterrent,” May 24, 2010)

South Korea said it will unhesitatingly exercise its right of self-defense in the event of future armed provocation by North Korea and freeze all of its remaining exchanges with the communist neighbor, except for Kaesong industrial park. “From now on, the Republic of Korea will not tolerate any provocative act by the North and will maintain a principle of proactive deterrence,” the president said in a nationally televised address made at the War Memorial of Korea in central Seoul. “If our territorial waters, airspace or territory are militarily violated, we will immediately
exercise our right of self-defense.” Lee said Seoul will suspend all trade and exchange programs with the North, apart from the Kaesong project, while maintaining minimum levels of humanitarian aid for infants and children living in the impoverished country. “Under these circumstances, any inter-Korean trade or other cooperative activity is meaningless,” the president said, adding that North Korean ships will no longer be allowed to use South Korean waterways as short-cuts, including the Jeju Strait. His speech was followed by a joint press conference by his defense, unification, and foreign ministers who provided more details on how Seoul will punish Pyongyang for the attack, one of the worst on the peninsula since the 1950-53 Korean War.

Defense Minister Kim Tae-young said his military will conduct joint anti-submarine drills with the U.S. in the Yellow Sea and expand participation in international interdiction training as a member of the Proliferation Security Initiative -- aimed at curbing the spread of weapons of massive destruction. The South’s troops will also resume sending propaganda messages through loudspeakers across the heavily fortified border with the North, a campaign that was halted six years ago. Unification Minister Hyun In-taek, Seoul’s point man on Pyongyang, said Seoul will prevent new investment in the Kaesong industrial zone, where more than 100 South Korean manufacturing firms operate and about 1,000 South Korean workers stay, as well as ban South Koreans from entering the North outside of Kaesong. “If the security of our nationals (there) is threatened, we will respond sternly,” Hyun warned. Officials here said Seoul will first scale down the operation of the Kaesong park and consider the next step in accordance with the North’s attitude. (Lee Chi-dong, “Lee Says Seoul Ready to Invoke Self-Defense against Future N.K. Provocation,” Korea Times, May 24, 2010) These countermeasures on the North will remain in place until the North “apologizes and seeks preventive measures,” said FM Yu Myung-hwan. (Kim Ji-hyun, “Seoul Stays Firm But Leaves Door Open to N.K.,” Korea Herald, May 24, 2010)

President Lee: “The Cheonan was sunk by a surprise North Korean torpedo attack. Again, the perpetrator was North Korea. Their attack came at a time when the people of the Republic of Korea were enjoying their well-earned rest after a hard day’s work. Once again, North Korea violently shattered our peace. The sinking of the Cheonan constitutes a military provocation against the Republic of Korea by North Korea. Since the end of the Korean War, the North has perpetrated incessant armed provocations against us, including the bombing attack against the presidential delegation at the Aung San Martyr’s Mausoleum in Myanmar and the bombing in midair of Korean Air Flight 858. The North Koreans, however, have never officially admitted the crimes they committed. This time is no different. They continue to insist that my Government fabricated the sinking of the Cheonan. …We have always tolerated North Korea’s brutality, time and again. We did so because we have always had a genuine longing for peace on the Korean Peninsula. But now things are different. North Korea will pay a price corresponding to its provocative acts. I will continue to take stern measures to hold the North accountable.

From this moment, no North Korean ship will be allowed to make passage through any of the shipping lanes in the waters under our control, which has been allowed by the Inter-Korean Agreement on Maritime Transportation. The sea routes meant for inter-Korean exchanges and cooperation must never again be used for armed provocations. Trade and exchanges between the Republic of Korea and North Korea will also be
suspended. We still remember the killing of an innocent South Korean tourist by a North Korean armed guard at the Mt. Kumgang resort. More recently, North Korea unilaterally confiscated South Korean assets at this same resort. Worse yet, the North sank the Cheonan taking the precious lives of our young sailors. Under these circumstances, any inter-Korean trade or other cooperative activity is meaningless. However, we will continue to provide assistance for infants and children. Matters pertaining to the Kaesong Industrial Complex will be duly considered, taking its unique characteristics into consideration. **From now on, the Republic of Korea will not tolerate any provocative act by the North and will maintain the principle of proactive deterrence. If our territorial waters, airspace or territory are violated, we will immediately exercise our right of self-defense.** The North's military provocation against the Cheonan on March 26 violated the Charter of the United Nations and contravened the existing agreements reached for the sake of peace and stability on the Korean Peninsula, including the Korean War Armistice Agreement and the Basic Agreement between South and North Korea. In close consultations with the nations concerned, the Government will refer this matter to the UN Security Council, so that the international community can join us in holding the North accountable. Many countries around the world have expressed their full support for our position. I solemnly urge the North Korean authorities to do the following. **Apologize immediately to the Republic of Korea and the international community. Immediately punish those who are responsible for and those who were involved in the incident.** These are basic measures that the North has to take before anything else. If the North continues to make excuses and wild assertions as it has always done in the past, they will not find any place to stand in the world. ... **It is now time for the North Korean regime to change.** Today, no country can maintain peace and make economic development on its own. It is imperative to conduct exchanges and cooperate with the world and to join the path that everyone else is taking. It is time to look at reality and make that courageous decision. It is time for the North Korean regime to start thinking about what is truly good for the regime itself and its people. The Korean Peninsula must not be left standing as the danger zone in Northeast Asia. The two Koreas must take the initiative and resolve this problem. ... Through the Cheonan tragedy, we learned a painful lesson once again. We had been forgetting the reality that the nation faces the most belligerent regime in the world. We have to admit that our Armed Forces made mistakes as well. On the occasion of this incident, the Government will solidify the national security readiness. The discipline of the Armed Forces will be reestablished, military reform efforts will be expedited and combat capabilities will be reinforced drastically. The ROK-US joint combat readiness will be further strengthened on the basis of strong ROK-US alliance. Public awareness of the importance of national security will be strengthened as well. We must never waver in the face of threats, provocations and divisive schemes by the North. We must become one when it comes to national security. ...” (President Lee-Myung-bak, Address to the Nation, May 24, 2010)

White House statement: “President Obama fully supports President Lee in his handling of the ROKS Cheonan incident and the objective investigation that followed. The measures that the government of the Republic of Korea announced today are called for and entirely appropriate. The Republic of Korea can continue to count on the full
support of the United States, as President Obama has made clear. Specifically, we endorse President Lee’s demand that North Korea immediately apologize and punish those responsible for the attack, and, most importantly, stop its belligerent and threatening behavior. U.S. support for South Korea’s defense is unequivocal, and the President has directed his military commanders to coordinate closely with their Republic of Korea counterparts to ensure readiness and to deter future aggression. We will build on an already strong foundation of excellent cooperation between our militaries and explore further enhancements to our joint posture on the Peninsula as part of our ongoing dialogue. As President Lee stated in his address earlier today, the Republic of Korea intends to bring this issue to the United Nations Security Council. We support this move. Secretary Clinton and Ambassador Rice are each consulting very closely with their Korean counterparts, as well as with Japan, China, and other UN Security Council member states in order to reach agreement on the steps in the Council. In response to the pattern of North Korean provocation and defiance of international law, the President has directed U.S. government agencies to review their existing authorities and policies related to the DPRK. This review is aimed at ensuring that we have adequate measures in place and to identify areas where adjustments would be appropriate. The U.S. will continue to work with the Republic of Korea and other allies and partners to reduce the threat that North Korea poses to regional stability. Secretary Clinton is currently in Beijing and she will travel to Seoul for discussions with President Lee and his senior advisors on May 26 before reporting back to the President on her consultations in the region. Secretary Gates is in close contact with ROK Defense Minister Kim and will meet with him and other counterparts at the June 4-6 Shangri-La Dialogue in Singapore. President Obama and President Lee agreed to meet in Canada at the time of the G-20 Summit. (White House Press Secretary Robert Gibbs, Statement, May 24, 2010)

Xinhua: “China today urged parties involved in disputes over the sinking of a Republic of Korean (ROK) naval warship to exercise restraint to avoid the escalation of tension on the Korean Peninsula. China hopes the parties to maintain calmness and restraint and to properly deal with relevant issues, Chinese spokesman Ma Zhaoxu said during the second round of the China-U.S. Strategic and Economic Dialogues (S&ED) Monday in Beijing. He said the Chinese and U.S. sides touched upon many important international and regional issues during the talks, including the issue of the sunken Cheonan corvette. Ma, spokesman for the S&ED’s strategic track talks, told the press that China had been highly concerned about the development of the warship sinking issue and had clearly expressed its stance on the matter. “China has always been committed to maintaining the stability in Northeast Asia and the Korean Peninsula, promoting the six-party talks and denuclearization of the Peninsula,” said Ma. He added that international and regional matters such as the sinking of the warship should be handled in an objective and fair manner and based on facts. The ROK unveiled Monday a series of punitive measures against the Democratic People’s Republic of Korea (DPRK), less than one week after an international team of investigators invited by the ROK announced their findings and blamed DPRK for sinking the warship in late March, which killed 46 sailors, in a torpedo
attack. Pyongyang has denied any involvement and threatened an “all-out war” in case sanction was imposed.” (Xinhua)

MinUnif: “the Government will take the following resolute and practical measures against North Korea: First, North Korean vessels will not be allowed to navigate our waters. The Government will prohibit all North Korean vessels from entering our ports and navigating our territorial waters, including the Jeju Strait. Second, trade between the two Koreas will be suspended. The Government will prohibit general trade between the two Koreas, as well as all inbound and outbound shipments of goods and materials for processing on commission. Third, South Korean citizens will not be allowed to visit North Korea. The Government will not allow South Korean citizens to visit North Korea, with the exception of necessary visits to the Gaeseong Industrial Complex and the Mt. Geumgang district. Contacts with North Korean people will also be restricted. Fourth, new investment in North Korea will be prohibited. The Government will not allow any additional investment for ongoing projects either. The establishment of new businesses in the Kaesong Industrial Complex as well as additional investment in the joint economic district will be prohibited. The current production activities in the complex will not be discouraged, but the number of South Korean personnel in the district will be reduced. Fifth, in principle, humanitarian aid to North Korea will be suspended for now. However, we will continue providing pure humanitarian aid for such vulnerable groups of people as infants and young children. In particular, as for the Kaesong Industrial Complex, the Government wants to make this clear. If North Korea ignores our careful consideration to preserve the complex even under the current circumstances, and subsequently threatens the safety of our citizens there, we will never tolerate any harm to our citizens and we will respond with resolute measures.” (Ministry of Unification, “Announcement of Measures against North Korea,” May 24, 2010) Explanatory Notes:

Number of North Korean vessels navigating ROK waters (unit: time(s), one-way sailing)

<table>
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<tr>
<th>Type</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Up to April 2010</th>
<th>Total</th>
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<tr>
<td>Inter-Korean Sailings</td>
<td>6 (3)</td>
<td>31 (25)</td>
<td>223 (40)</td>
<td>252 (44)</td>
<td>533 (61)</td>
<td>345 (4)</td>
<td>1,390 (177)</td>
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<tr>
<td>North-North Sailings</td>
<td>39 (39)</td>
<td>97 (97)</td>
<td>138 (138)</td>
<td>147 (147)</td>
<td>184 (184)</td>
<td>71 (71)</td>
<td>676 (676)</td>
</tr>
<tr>
<td>Total</td>
<td>45 (42)</td>
<td>128 (122)</td>
<td>361 (178)</td>
<td>399 (191)</td>
<td>717 (245)</td>
<td>416 (75)</td>
<td>2,066 (853)</td>
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</table>
※ The number in parenthesis refers to the number of North Korean vessels that navigated ROK’s waters since the maritime agreement went into effect in August 2005.
※ North Korean vessels have been allowed to pass the Jeju Strait since August 15, 2005.

- North Korea is expected to face an annual loss of $10 million on average since it will lose revenue from transporting goods for inter-Korean trade as well as the reduction of shipping costs by transiting the Jeju Strait.
※ Costs saved by passing the Jeju Strait: about $970,000 in 2009.
※ Revenue from transporting goods: about $9 million in 2009.

< Inbound and total inter-Korean trade from 2000 to 2009 > (unit: $10,000)

<table>
<thead>
<tr>
<th>Year</th>
<th>'00</th>
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<th>'03</th>
<th>'04</th>
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<td>General trade: Inbound</td>
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<td>10,0</td>
<td>16,7</td>
<td>17,7</td>
<td>15,0</td>
<td>18,89</td>
<td>28,19</td>
<td>44,12</td>
<td>36,64</td>
<td>24,51</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>90</td>
<td>40</td>
<td>44</td>
<td>12</td>
<td>2</td>
<td>5</td>
<td>4</td>
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<tr>
<td>Commission-based processing trade: Inbound</td>
<td>7,19</td>
<td>7,25</td>
<td>10,2</td>
<td>11,1</td>
<td>10,7</td>
<td>13,12</td>
<td>15,93</td>
<td>20,45</td>
<td>25,73</td>
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<td></td>
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<td>79</td>
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<td>Economic cooperation project: Inbound</td>
<td>23</td>
<td>46</td>
<td>138</td>
<td>17</td>
<td>2</td>
<td>3</td>
<td>102</td>
<td>130</td>
<td>558</td>
<td>1,573</td>
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<tr>
<td>Subtotal</td>
<td>15,0</td>
<td>17,3</td>
<td>27,1</td>
<td>28,9</td>
<td>25,7</td>
<td>32,01</td>
<td>44,23</td>
<td>64,70</td>
<td>62,93</td>
<td>51,49</td>
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<td></td>
<td>75</td>
<td>94</td>
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<td>7</td>
<td>6</td>
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<tr>
<td>Total inbound</td>
<td>15,2</td>
<td>17,6</td>
<td>27,1</td>
<td>28,9</td>
<td>25,8</td>
<td>34,02</td>
<td>51,95</td>
<td>76,53</td>
<td>93,22</td>
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<td></td>
<td>37</td>
<td>17</td>
<td>58</td>
<td>25</td>
<td>04</td>
<td>8</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>5</td>
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<tr>
<td>Total inter-Korean trade</td>
<td>42,5</td>
<td>40,2</td>
<td>64,1</td>
<td>72,4</td>
<td>69,7</td>
<td>105,5</td>
<td>134,9</td>
<td>179,7</td>
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<td>167,9</td>
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<td></td>
<td>15</td>
<td>96</td>
<td>73</td>
<td>22</td>
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<td>74</td>
<td>90</td>
<td>37</td>
<td>08</td>
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※ Total amount of inbound trade includes products from the Gaeseong Industrial Complex and the Mt. Geumgang district.

< Key inbound items in general trade: 2009 > (unit: $1,000)
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<tr>
<th>Ranking</th>
<th>1</th>
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<th>3</th>
<th>4</th>
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<th>7</th>
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<th>9</th>
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<tbody>
<tr>
<td>Item</td>
<td>Shellfish</td>
<td>Dried seafood</td>
<td>Shrimp</td>
<td>Zinc ingots</td>
<td>Coal</td>
<td>Mollusks</td>
<td>Processed seafood products</td>
<td>Bracken</td>
<td>Octopus</td>
<td>Other non-metal minerals</td>
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<tr>
<td>Amount</td>
<td>54,234</td>
<td>20,970</td>
<td>20,964</td>
<td>18,831</td>
<td>18,188</td>
<td>18,071</td>
<td>16,199</td>
<td>11,345</td>
<td>7,885</td>
<td>7,599</td>
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< Key inbound items in commission-based processing trade: 2009 > (unit: $ 1,000)

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<th>7</th>
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</thead>
<tbody>
<tr>
<td>Item</td>
<td>Athletic training suit</td>
<td>Coats and jackets</td>
<td>Men’s trousers</td>
<td>Men’s jackets</td>
<td>Ladies’ pants and skirts</td>
<td>Garlic</td>
<td>Undershirts</td>
<td>Underwear and house wear</td>
<td>Electric wire</td>
<td>Radio and cassette players</td>
</tr>
<tr>
<td>Amount</td>
<td>58,017</td>
<td>41,924</td>
<td>26,718</td>
<td>23,283</td>
<td>13,344</td>
<td>13,328</td>
<td>11,351</td>
<td>8,088</td>
<td>7,701</td>
<td>4,388</td>
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- Inter-Korean visits (excluding tourists)

<table>
<thead>
<tr>
<th>Number of Visits</th>
<th>'89-99</th>
<th>'00</th>
<th>'01</th>
<th>'02</th>
<th>'03</th>
<th>'04</th>
<th>'05</th>
<th>'06</th>
<th>'07</th>
<th>'08</th>
<th>'09</th>
<th>total</th>
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</thead>
<tbody>
<tr>
<td>Visits to the North</td>
<td>11,321</td>
<td>7,280</td>
<td>8,551</td>
<td>12,825</td>
<td>15,280</td>
<td>26,213</td>
<td>87,028</td>
<td>100,833</td>
<td>158,173</td>
<td>186,443</td>
<td>120,616</td>
<td>734,565</td>
</tr>
<tr>
<td>Visits to the South</td>
<td>637</td>
<td>706</td>
<td>191</td>
<td>1,052</td>
<td>1,023</td>
<td>321</td>
<td>1,313</td>
<td>870</td>
<td>1,044</td>
<td>332</td>
<td>246</td>
<td>7,735</td>
</tr>
<tr>
<td>Total</td>
<td>11,958</td>
<td>7,986</td>
<td>8,742</td>
<td>13,873</td>
<td>16,307</td>
<td>26,531</td>
<td>88,341</td>
<td>101,708</td>
<td>159,214</td>
<td>186,775</td>
<td>120,862</td>
<td>742,300</td>
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</table>

- The total amount of assistance provided to North Korea from 2000 to April 2010 was 2.8 trillion won, including 2.8 trillion won of government assistance and 768.1 billion won of private assistance.

(Unit: 100 million won)
Government assistance from 2000 to 2007 includes loan-based food aid.

SecState Clinton “The United States fully supports President Lee’s responsible handling of the Cheonan incident, and the objective investigation that followed, which we and other international observers joined. The measures that President Lee announced in his speech are both prudent and entirely appropriate. The Republic of Korea can continue to count on the full support of the United States, as President Obama made clear when he spoke to President Lee last week. First, we endorse President Lee’s call on North Korea to come forward with the facts regarding this act of aggression and, above all, stop its belligerence and threatening behavior. Second, our support for South Korea’s defense is unequivocal, and President Obama has directed his military commanders to coordinate closely with their Korean counterparts to ensure readiness and to deter future aggression. As part of our ongoing dialogue, we will explore further enhancements to our joint posture on the Peninsula. Third, we support President Lee’s call to bring this issue to the United Nations Security Council. I will be working with Ambassador Rice and our Korean counterparts, as well as Japan, China, and other UN Security Council member states to reach agreement on a way forward in the Council. Fourth, President Obama has directed U.S. Government agencies to review their existing authorities and policies related to North Korea, to ensure that we have adequate measures in place, and to identify areas where adjustments would be appropriate. As I have said, the path that will lead North Korea to security and prosperity is to stop its provocative behavior, halt its policy of threats and belligerence toward its neighbors, and take irreversible steps to fulfill its denuclearization commitments, and comply with international law. Let me also briefly address another matter that several of you have inquired about. I want to commend Prime Minister Hatoyama for making the difficult, but nevertheless correct, decision to relocate the Futenma facility inside Okinawa. We are working with the Japanese Government to ensure that our agreement adopts Japanese proposals that will lighten the impact on the people of Okinawa. We are working with the Japanese Government to ensure that our agreement adopts Japanese proposals that will lighten the impact on the people of Okinawa. We are confident that the relocation plan that Japan and the United States are working to conclude will help establish the basis for future alliance cooperation. As a former politician, I know how hard Prime Minister Hatoyama’s decision was, and I thank him for his courage and determination to fulfill his commitments. This is truly the foundation for our future work as allies in the Asia Pacific region. Q: Secretary Clinton, on North and South Korea, can you specify precisely what kinds of things the U.S. Government will look at as it studies policies and authority regarding North Korea? Are you, for example, specifically looking at the possibility of putting them back on the state-sponsor of terrorism list? Regarding the military
coordination that the President has ordered, will that include such things as joint anti-submarine warfare measures to try to prevent precisely this kind of incident from happening again? And you’ve said that you will -- that you fully support South Korea taking this matter to the UN Security Council. Do you think that North Korea should actually face additional sanctions, sanctions that go beyond 1874, in the Council?

CLINTON: Well, Arshad, we are obviously continuing to review and consult closely on these matters, some of which are quite sensitive. And I look forward to discussing them in depth when I am in Seoul on Wednesday. We will provide additional details at the appropriate time. With respect to your specific question about the state-sponsor of terrorism list, the United States will apply the law as the facts warrant. The legislation, as you know, sets out specific criteria for the Secretary of State to base a determination. And the Department of State continually reviews North Korea’s actions to determine if the evidence supports its designation as a state sponsor of terrorism. If the evidence warrants, the Department of State will take action. Currently, several North Korean entities, financial institutions and individuals, are subject to sanctions due to their involvement in or their support of North Korea’s nuclear weapons and ballistic missile program. You may also know that the White House issued a statement a few hours ago. We are closely coordinating what we’re doing in Washington and here in the region, and I think the requests that President Lee made in his speech are fully appropriate, and are being analyzed. So there will be more to report in the days ahead.

Q: I was wondering how much you can tell us what the Chinese are telling you, as far as their response to the Cheonan issue. There has been a lot of anger in South Korea that the Chinese haven’t been more proactive in condemning the North, and I would like -- maybe you could say what the Chinese are telling you. And also, how serious is this situation? I mean, are you concerned this could escalate into a war?

CLINTON: As I said, we are in the midst of very intensive consultations with the Chinese Government on this issue. It would, again, be premature for me to discuss details of those conversations. But I can say that the Chinese recognize the gravity of the situation we face. The Chinese understand the reaction by the South Koreans, and they also understand our unique responsibility for the peace and stability on the Korean Peninsula. As I said in my statement earlier today, we have cooperated very well with China to respond to North Korea’s provocative actions last year, and we are discussing how we will be able to cooperate equally effectively in this context, as well. It is part of the -- obviously, a category of its own, when it comes to the strategic and economic dialogue. But I have to say that we are off to a very good start, with respect to the dialogues. We spent in a very small group at dinner last night about two-and-a-half hours discussing important matters. I have just completed another small group discussion with about -- of about two-and-a-half hours. So, the Chinese are taking this very seriously, and recognize the importance of maintaining peace and stability on the Korean Peninsula. And we will continue to work with them on the way forward. We are working hard to avoid an escalation of belligerence and provocation. This is a highly precarious situation that the North Koreans have caused in the region. And it is one that every country that neighbors or is in proximity to North Korea understands must be contained. So that is what we are working to achieve. And, at the same time, to send a message to North Korea that we are not simply resuming business as usual, that we intend to work with the international community to create a climate in which both consequences are felt by North Korea, and working to change their behavior, going
forward, to avoid the kind of escalation that would be very regrettable. (DoS, Secretary of State Clinton Briefs the Traveling Press on the Republic of Korea,” May 24, 2010)

North Korea threatened to fire at South Korean loudspeakers if Seoul resumes its propaganda activities. The threat came after South Korea announced it would install megaphones along the Demilitarized Zone and resume its anti-North Korea broadcasting that had stopped in a 2004 agreement with Pyongyang. North Korea also withdrew its megaphones that year. If an anti-Pyongyang slogan on a South Korean building facing the North is not removed and loudspeakers are set up, “there will start the firing of direct sighting shots to destroy them,” an unnamed commander of North Korea’s central forces said in a statement carried by KCNA. “If the group of traitors challenges the just reaction of (North Korea), this will be followed by stronger physical strike to eliminate the root cause of the provocations.” (Sam Kim, “N. Korea Threatens to Fire at S. Korean Propaganda Equipment,” May 24, 2010)

South Korea and the United States will conduct joint anti-submarine exercises in the seas off the Korean Peninsula in the near future, the Pentagon said. “Those initiatives are a result of the findings of this recent incident” spokesman Bryan Whitman told reporters. “We think that this is an area where, working with the Republic of Korea, we can hone some skills and increase capabilities.” (Hwang Doo-hyong, “U.S., S. Korea to Conduct Anti-Submarine Drills after Ship Sinking: Pentagon,” Yonhap, May 25, 2010)

Japan has no plans to put forth a joint proposal with South Korea to the U.N. Security Council to seek punitive measures against North Korea. Chief Cabinet Secretary Hirano Hirofumi said Japan will “strongly support” South Korea if it decides to call for sanctions against North Korea, but it will not take the form of bringing forward a joint proposal to the United Nations. “This is a South Korean issue, so it won’t be a joint proposal,” but Tokyo will provide strong support to Seoul in dealing with the issue, Hirano said at a news conference. Japan is considering strengthening financial sanctions, such as lowering the amount of money that may be remitted to the North without reporting to the government from the current 10 million yen threshold, ruling party lawmakers said. “We have to consider sanctions in order to show our stance,” Finance Minister Kan Naoto said at a news conference. But Kan also said he is not clear to what extent such fresh economic sanctions will have an impact on North Korea.

PM Hatoyama Yukio instructed his ministers to consider new sanctions against North Korea over the sinking of the South Korean corvette Cheonan with a torpedo, resulting in 46 sailor deaths. Hatoyama convened a meeting of the Security Council of Japan earlier today to thrash out the issue. Hatoyama instructed his ministers to work on four areas: Strengthening cooperation with their South Korean and U.S. counterparts, including how to pursue the matter at the U.N. Security Council; drawing up new sanctions; working for early passage of a special measures bill to allow for cargo inspections of ships that enter and leave North Korea; and strengthening intelligence-gathering to secure the safety of the public. (Asahi Shimbun, “Japan Eyes New Sanctions on N. Korea,” May 25, 2010)
North Korean leader Kim Jong Il told the country’s military to be combat-ready in a message broadcast last week that coincided with South Korea’s announcement that it blamed his regime for the sinking of a warship, a dissident group said. The order was broadcast on May 20 by O Kuk Ryol, vice chairman of the National Defense Commission, according to the website of North Korea Intellectuals Solidarity, a Seoul-based group run by defectors from the communist country. Yonhap News agency reported on the posting earlier today, sending the won lower by the most in more than a year and causing stocks to drop. The won fell 3 percent to 1,251.1 per dollar as of the 3 p.m. close in Seoul, the biggest drop since March 30, 2009, according to data compiled by Bloomberg. It touched 1,277.85, the weakest level since July 16. The Kospi index sank 2.8 percent to 1,560.83. (Boni Lim, “Kim Jong Il Orders Military to Prepare for Combat, Group Says,” Bloomberg News, May 25, 2010)

Rear Adm. Peter Gumataotao, commander of the U.S. navy in Korea, was quoted as saying the U.S will assume a role to support South Korea’s measures against the North. The U.S. official had met earlier today Vice Adm. Kim Sung-chan, South Korea’s naval chief of staff. South Korea is also considering reviving a large-scale joint military maneuver with the U.S., similar to the Team Spirit exercises, a government source said. The maneuver, a large-scale annual exercise that began in 1976, was suspended in 1993 to encourage Pyongyang to denuclearize. “As part of anti-North military measures, we are reviewing (whether) to resume a joint exercise like the Team Spirit,” the source said. “Depending on the North’s reactions against our measures, we will make a final decision after consulting with the U.S. side.” (Kim Deok-hyun, “U.S. to Assume Significant Role in Naval Drills against North,” Yonhap, May 25, 2010)

Seoul decided to revive the military operation concept of seeing North Korea as its “main enemy” after a team of investigators found that the North torpedoed its warship in March. “Reviving the ‘main enemy’ concept will be considered at the working-level,” presidential spokesperson Kim Eun-hye said. “Our military failed to clarify the ‘main enemy’ concept,” President Lee Myung-bak was quoted as saying by Kim at a meeting with senior nongovernmental advisors on Tuesday. “(The South Korean military) neglected the threats close by and focused on potential threats outside the Korean Peninsula.” Another presidential aide said on condition of anonymity that it was “natural” for Seoul to revive the main enemy concept, which was deleted from defense policy papers six years ago. “The government has begun working-level discussions to go back to seeing North Korea as the main enemy,” he said. “What now remains is the technical issue of how to phrase the concept and in which parts of the defense white paper.” North Korea first started to be referred to as the “main enemy” in South Korean defense white papers in 1995 under former president Kim Young-sam, a year after a North Korean general threatened to turn Seoul into a “sea of fire.” But since 2004, the description was replaced by “direct military threat” or other watered-down expressions. (Kim So-hyun, “Military Toughens Posture against N.K.,” Korea Herald, May 25, 2010)

Determining the cause of the Cheonan’s sinking appeared to have become utterly meaningless yesterday. North Korea has requested permission to send its own review team, and some in South Korea claim that they do not believe the investigation results,
but the Lee Myung-bak administration has remained unyielding. Yesterday, President Lee Myung-bak blocked off his own avenue of retreat by coming out himself and clearly stating, “The sinking of the Cheonan was a North Korean military provocation that was an attack on the Republic of Korea.” Irrespective of the cause of the sinking, the way in which the Cheonan situation has played out was as good as foreordained, given the characteristics of the Lee administration. The administration has continuously derided the previous ten years of North Korea policy under the Kim Dae-jung and Roh Moo-hyun administrations as “unilateral giving” and pledged to establish a new relationship between North Korea and South Korea. The Lee administration’s North Korea policy was plausibly packaged as “Vision 3000: Denuclearization and Openness,” but its message, in so many words, was, “If you abandon your nuclear program and come out with your head hanging low, we will send food.” Inter-Korean relations develop through interaction. North Korea’s response naturally changes depending on what form of North Korea policy the South Korean government adopts. Right-wing conservatives have called the Cheonan incident the result of “ten years of pouring money into North Korea,” but this is a clear distortion that confuses cause and effect. It is of course true that there was some element of “pouring.” However, South Korea obtained real gains from providing economic support to North Korea, including the relief of military tensions and expanded economic cooperation. To be precise, there was “pouring in” of money as well as “pouring out” of real diplomatic gains. The Lee administration, however, has done its utmost to ignore the pouring out aspect, highlighting and shutting off only the money pouring in. It stands to reason that the relaxation of tensions and inter-Korean economic cooperation that poured out over the years would fall apart. The Cheonan incident was the inevitable product of this type of hardline North Korea policy. There is another reason for the push for hardline policy from the right-wing conservatives, who cannot be unaware of this logic. It is their belief that if our government continues to apply pressure on North Korea, military tensions may flare in the short term, but before long the North Korean regime will collapse. The problematic aspect of this assumption is the extent of the reality used to frame it. In the best-case scenario for the Lee administration, the U.S. and the nations of Western Europe in addition to China and Russia would take part in this pressure on North Korea, completely isolating the country. This is also the reason behind the concerted effort the administration has shown in its international diplomacy since the sinking. If events transpire in this matter, it will indeed be difficult for North Korea to withstand. However, given the impossibility of persuading China, the chance of reality following this script is scant. Another scenario is an internal collapse of North Korea. This is unlikely as long as China is providing support. North Korea is quite a difficult customer to deal with, a country that becomes ever more militant the harder the pressure from outside. In the end, the Lee administration is simply repeating the same policy of pressure on North Korea based on unrealistic assumptions that have failed to pan out time and time again. There is a chance that a military clash might occur in the process, in the West Sea or near the Demilitarized Zone (DMZ). If the tension persists into the long term, there is also the risk of dealing a serious blow to the economy, as the Korean peninsula becomes a geopolitical risk factor. We will not be able to withstand such circumstances until North Korea chooses to come out with its hands up, at which point our government will find itself faced with a dilemma. President Lee is taking this risk and beginning a “Cheonan gamble,” with the nation’s security and the future of the
Korean people at stake. The real question, then, is will he succeed? (Jeong Seok-gu, senior editorial writer, “President Lee’s Cheonan Gamble,” Hankyore, May 25, 2010)

Clinton: “As part of this dialogue, we also had our most serious high-level discussion to date on development, which is a core pillar of our foreign policy, along with diplomacy and defense. And we had very frank and detailed conversations about international security challenges and regional hot spots, including Iran and North Korea. We stressed the importance of reaching a conclusion on resolution of the United Nations Security Council to send a message to Iran to, ‘Live up to your international responsibilities or face growing isolation and consequences.’ Similarly, with respect to North Korea, the United States and China share the objective of peace and stability on the Korean Peninsula. Last year, we worked to pass and enforce a strong UN Security Council resolution in the wake of North Korea’s nuclear test. Now we must work together again to address the serious challenge provoked by the sinking of the South Korean ship. We are looking forward to working with our friends in South Korea. We appreciated the very statesmanlike approach that President Lee is following, and the prudent measures that he announced in his speech. No one is more concerned about the peace and stability in this region than the Chinese. We know this is a shared responsibility. And in the days ahead, we will work with the international community and our Chinese colleagues to fashion an effective and appropriate response. The consultations between China and the United States have started here in Beijing. They continue very closely, and we expect to be working together to resolve this matter.” (Secretary of State Hillary Clinton, “Remarks on the Closing of the U.S.-China Dialogue,” May 25, 2010)

North Korea announced that it is severing all relations with South Korea, heightening the risk of armed conflict and creating perhaps the most serious crisis on the Korean Peninsula in more than two decades. Kim’s government said it would cut communications with South Korea, close its waters and airspace to its neighbor and refuse any contact with it during the tenure of President Lee Myung-bak, a popular leader who has nearly three years left in office. It also said it would expel South Korean officials from the Kaesong Industrial Park, a joint North-South venture that is a major source of hard currency for Pyongyang. But the next morning, North Korea used a military hotline to approve the entry of South Korean workers into the Kaesong complex, according to the government in Seoul. The move raised the question of what North Korean leader Kim Jong-il stands to gain from infuriating the outside world and triggering sanctions that seem certain to deepen the misery of his people. Because North Korea has the world’s most secretive government, there is no definitive explanation for its apparently self-destructive actions. But there are revealing patterns in Kim’s behavior and how it is sold to his isolated citizenry. The North’s internal propaganda machine uses Kim’s defiance of the outside world to whip up nationalist fervor and to distract North Koreans from their increasingly grim circumstances. “The Kim Jong Il regime has no source of mass support except public pride in military strength,” said B.R. Myers, director of the international studies department at Dongseo University in Pusan, South Korea. “Acts of aggression are built into the North Korean system.” In the most recent act comparable to the sinking of the Cheonan, North Korean agents planted bombs in 1987 on a South Korean passenger jet. It exploded in
flight, killing all 115 people on board. But Michael J. Green, a top adviser on Korea in the George W. Bush White House, said there is an important difference between the bombing of the plane and the sinking of the warship. He noted that now the North is mired in “the brittleness and desperation” of an internal succession process that is expected to shift power from Kim, who is 68 and ailing, to his third son, Kim Jong Eun, who is untested and 27 years old. Green also cited the “the danger that Pyongyang may now think it can use force with impunity backed by a nuclear deterrent.” (Blaine Harden, “North Korea Severs All Ties with the South,” Washington Post, May 26, 2010, p. A-1)

Secretary of State Hillary Rodham Clinton and Treasury Secretary Timothy F. Geithner wrapped up extensive talks with Chinese officials At the second annual Strategic and Economic Dialogue without any significant progress on Iran, North Korea or other key issues dividing the countries. Asked Tuesday whether she had succeeded in pushing China to change its views, Clinton replied: "We had very productive and detailed discussions about North Korea. The Chinese understand the gravity of the situation." China has increasingly shown its assertiveness on issues in Asia. That stance, along with the increasing tension between the Koreas, could benefit the U.S. strategic position across the region, analysts say, as countries such as Japan and South Korea draw closer to Washington as a hedge against China’s newfound strength. Even former U.S. enemies such as Vietnam and nonaligned states such as Malaysia, which for years had adopted a lukewarm view of the United States, have moved closer -- in part because of China’s rise. The talks in Beijing occurred against a backdrop in Asia in which recent Chinese missteps and trouble between the Koreas appear to be benefiting the United States, halting what many in the region had viewed as a strategic slide in American influence. China reacted slowly to the sinking of the Cheonan, the South Korean warship, waiting almost a month before offering South Korea condolences. Then, without telling South Korea of its plans, it feted North Korean leader Kim Jong Il in early May, apparently offering him another large package of aid. China’s attitude enraged South Korean officials. But more important, according to Michael Green, a former National Security Council official who was in the region as the crisis unfolded, China’s attitude toward the attack served to underscore how differently China views the Korean Peninsula than those in South Korea or Japan. For China, keeping the Koreas separate is a foundation of its policy, he said, whereas for South Korea and even for many in Japan, a united, democratic Korea is the goal. “It is a defining moment,” he said. Chinese missteps with Japan and the crisis between the Koreas have also helped to push the Japanese government, which had been considering a foreign policy more independent from the United States, firmly back into the American orbit. On May 23, Prime Minister Hatoyama Yukio, who leads only the second opposition party to run Japan in nearly 50 years, announced he would accept a plan to relocate a U.S. Marine Corps base on Okinawa despite a campaign promise that the base should be moved out of Japan. A day later, Hatoyama said a key reason was the Korean trouble. But Chinese aggressiveness also played a role, Japanese officials said. In April, Chinese military helicopters twice buzzed Japanese defense ships that were monitoring Chinese naval exercises. And on May 15, during negotiations between Japan, South Korea and China, China’s foreign minister, Yang Jiechi, erupted at his Japanese counterpart, Katsuya Okada, after Okada suggested that China cut its
nuclear arsenal. Yang almost left the talks in the South Korean city of Gyeongju, according to diplomatic sources, and screamed at Okada that his relatives had been killed by Japanese forces in northeastern China during Japan’s occupation of China during World War II. Okada was shocked, a Japanese official said. “He’s always been a peace lover,” the official said. “I guess the Chinese felt like yelling.” (John Pomfret, “U.S.-China Talks End without Accords on Key Issues, Washington Post, May 26, 2010, p. A-9)

Committee for the Peaceful Reunification of Korea statement: ‘Traitor Lee Myung Bak of south Korea on Monday made public a ‘statement to the people’ over the case of the sinking of a warship of its puppet army, in which he viciously slandered the DPRK again. He formally announced a ban on the passage of DPRK’s ships through waters of the south side, ‘stop to trade and exchange between the south and the north,’ the exercise of ‘the right to self-defense’ and the reference of the case to the UNSC, daring vociferate about ‘responsibility’ and ‘apology.’ Then the chiefs of the puppet ministries of defense, foreign affairs and trade and unification called a joint press conference at which they ballyhooed about follow-up measures. This is little short of formally declaring that they would not rule out a war by standing in confrontation with the DPRK to the last. …The DPRK had already solemnly declared that it would regard the puppet group’s anti-DPRK smear campaign over the sinking of the warship as a declaration of a war against the DPRK and mete out a merciless and strong punishment if the group dare defile its dignity. The Committee for the Peaceful Reunification of Korea, accordingly, formally declares that from now on it will put into force the resolute measures to totally freeze the inter-Korean relations, totally abrogate the agreement on non-aggression between the north and the south and completely halt the inter-Korean cooperation. In this connection, the following measures will be taken at the first phase: 1. All relations with the puppet authorities will be severed. 2. There will be neither dialogue nor contact between the authorities during Lee Myung Bak’s tenure of office. 3. The work of the Panmunjom Red Cross liaison representatives will be completely suspended. 4. All communication links between the north and the south will be cut off. 5. The Consultative Office for North-South Economic Cooperation in the Kaesong Industrial Zone will be frozen and dismantled and all the personnel concerned of the south side will be expelled without delay. 6. We will start all-out counterattack against the puppet group’s ‘psychological warfare against the north.’ 7. The passage of south Korean ships and airliners through the territorial waters and air of our side will be totally banned. 8. All the issues arising in the inter-Korean relations will be handled under a wartime law. There is no need to show any mercy or patience for such confrontation maniacs, sycophants and traitors and wicked warmongers as the Lee Myung Bak group. The Lee group’s call for ‘resolute measure’ is as a foolish and ridiculous suicidal act as jumping into fire with faggots on its back. The group is making a last-ditch effort in league with outsiders but will get nothing but its self-destruction. The army and the people of the DPRK and all other Koreans will never pardon the group of traitors as it is finally bringing the dark clouds of war to hang over the Korean Peninsula, wantonly violating the historic June 15 joint declaration and the October 4 declaration and bringing the inter-Korean relations to a total collapse.” (KCNA, “CPRK Declares Resolute Actions against S. Korea,” May 26, 2010)
U.S. Secretary of State Hillary Clinton said the international community should not turn a blind eye to North Korea’s deadly sinking of a South Korean warship, in an apparent attempt to pressure China which has been reluctant to punish the communist neighbor.

“‘The international independent investigation was objective, the evidence overwhelming, the conclusion inescapable,’ Clinton told a joint news conference with South Korean FM Yu Myung-hwan, referring to a five-nation joint investigation into the March sinking of the warship Cheonan. (Chang Jae-soon and Sam King, “Clinton Urges Intl Community to Respond to N. Korea’s Sinking of S. Korean Ship,” Yonhap, May 26, 2010)

Clinton: “Over the last week I have consulted with leaders in Japan and China, and we have stayed in close contact with our friends here in Seoul about the best way forward. We will be working together to chart a course of action in the United Nations Security Council, and I want to acknowledge Secretary-General Ban Ki-moon’s strong statement on this issue. The U.S. and South Korean militaries have announced plans for joint exercises, and we will explore further enhancements to our posture on the Peninsula, to ensure readiness, and to deter future attacks. The United States is also reviewing additional options and authorities to hold North Korea and its leaders accountable. We call on North Korea to halt its provocation and its policy of threats and belligerence toward its neighbors, and take steps now to fulfill its denuclearization commitments, and comply with international law. North Korea can still choose another path. Instead of isolation, poverty, conflict, and condemnation, North Korea could enjoy integration, prosperity, peace, and respect. Its people could finally experience a better life. We know this is possible. Here in South Korea we see it every day, the talent and creativity of the Korean people flourishing in a vibrant democracy. North Korea’s future depends on the choices that its leaders make today.”

Q: … there have been past crises between North and South Korea, but that was before North Korea developed a nuclear capability. I am curious, particularly from Minister Yu, how North Korea’s nuclear capability kind of constrains how the U.S. and South Korea respond. YU: For the denuclearization of North Korea, for a long period of time -- over seven years -- we have made various efforts. However, unfortunately, North Korea has conducted nuclear tests twice. Regarding North Korea’s nuclear capabilities, we have not been able to verify those capabilities, so it is difficult for me to publicly make a statement on that. But with the Cheonan incident, I think the Cheonan incident will serve as an occasion to solve the nuclear issue, as well. The -- and it’s not to bring North Korea back to the Six-Party Talks, per se, but to see progress in North Korea taking steps towards denuclearization. (DoS, Secretary of State Hillary Clinton, Joint Press Availability with Korean Foreign Minister Yu Myung-hwan, May 26, 2010)

North Korea has completely cut off state food rations after China failed to supply the impoverished communist country with extra cereals, a welfare group said June 14. The ruling communist party announced in a directive on May 26 that there would be no state rations for a while, said South Korea’s Good Friends group which has contacts in the North. People were authorised to buy food supplies through private markets, it said, adding the directive was due to delayed shipments of food from China.”The directive was unavoidable“ because China failed to send the aid which had been
anticipated after leader Kim Jong-Il’s trip to Beijing in early May, group president Pomnyun, who uses just one name, told reporters. Private markets are now open around the clock across the North, he said. (AFP, “N. Korea Completely Cuts off State Rations: Aid Group,” June 14, 2010)

North Korea’s population totaled 23.34 million in 2008, with nearly 9 percent of its people over age 65, a South Korean state think tank said Wednesday, citing the results of the communist country’s latest census. The Korea Rural Economic Institute (KREI) said the 2008 North Korean census showed the population growing an average of 0.85 percent annually from 1993 through 2008, with 4.4 million people engaged in agriculture, forestry and fisheries activities. The institute said more than half of the population, or 12.2 million, worked directly for the government, state-operated corporations and agricultural cooperatives. The total number of people working in the public sector accounted for 70 percent of the 17.4 million people over age 16. The census showed about 3 million people were classified as retired, with 1 million engaged in homemaking activities. Of all people over the working age of 16, 79.5 percent of men were engaged in economic activities, with the percentage reaching 62.2 percent for women. KREI said that 8.7 percent of North Korea’s population, or 2.09 million people, were classified as senior citizens over 65 in 2008, up from just 1.14 million in 1993. The institute said the rise in the ratio of elderly people is due to a drop off in the number of young people. An average North Korea woman gave birth to 2.0 children in 2008 down from 2.1 in 1993, while mortality rate for infants and mothers dying while giving birth all rose. The infant mortality rate reached 1.9 percent in 2008 from 1.4 percent 15 years earlier, while the maternal mortality rate hit 7.7 percent for every 100,000 mothers giving birth, up from 5.4 percent in 1993. (Yonhap, “N. Korea’s Population Exceeds 23 Million: Census,” May 26, 2010)

The Defense Reform 2020 plan was initiated in 2005 by the liberal Roh Moo-hyun administration in pursuit of a "self-reliant" military that could deal with regional threats beyond defense against a North Korean invasion. The plan included reducing the number of standing troops and instead equipping the armed forces with advanced weapons systems by 2020 in stages. The Roh administration believed the level of North Korean threat would decrease gradually with the help of its engagement policy. Against that backdrop, the previous administration put more emphasis on developing a blue-water Navy and advanced Air Force, rather than strategies to deter North Korea’s conventional forces. But the situation has changed drastically, as the Cheonan tragedy reminded South Koreans that they are facing one of the most belligerent regimes in the world, defense experts say. "Last year’s revision of the original Defense Reform 2020 called for boosting a readiness against North Korea’s asymmetrical threats and its weapons of mass destruction. But the new version still ignored its conventional capabilities," Cha Doo-hyon, a senior researcher at the Korea Institute for Defense Analyses (KIDA), told The Korea Times. "A case in point is a submarine attack as seen in the Cheonan sinking. So now we need a critical and comprehensive review of the defense reform plan to look at what are the real threats we’re facing now and then how can we readjust reform plans enough to thwart such threats." Some analysts are worried that the reform plans would be too much focused on the North Korean threat to cope with emerging, regional threats in the long-term. "I'm worried
that defense authorities will be in a hurry to come up with stop-gap measures, not envisioning long-term military development,” a former Navy admiral said, asking not to be named. “The best scenario is drawing up plans to deal with both North Korean and regional threats in the future. I hope the Defense Reform plan is readjusted and refocused in a more balanced manner.” Following the Cheonan incident, military authorities are seeking to readjust their operational and arms acquisition priorities, as the naval disaster revealed the lack of necessary equipment. For example, the Navy came under heavy fire for failing to swiftly respond to the incident. The service dispatched two minesweepers from the Southern Fleet command in Jinhae to the western waters to search for the wreckage, but the vessels arrived there nearly two days after the incident. A fishing boat equipped with a fish finding sonar found the sunken ship faster than the minesweepers. Critics said minesweeper helicopters could have sped up the search-and-rescue operation. On Tuesday, the Cabinet endorsed 35.2 billion won ($29 million) in supplementary funds to procure and maintain weapons systems and defense equipment. The supplementary budget is to be used to upgrade warship sonar, deploy sound surveillance systems for islands near the sea border and develop an indigenous three-dimensional radar system among others. The military also plans to buy minesweeper and anti-submarine helicopters. Potential helicopters include the Sikorsky MH-60S Knighthawk and AgustaWestland EH101. According to a Cheong Wa Dae source, President Lee has directed an increase in expenditure for weapons procurement to cope with North Korea’s irregular warfare. Lee apparently called for spending about 3 trillion won within his term, the source said. (Jung Sung-ki, “Defense Reform 2020 to Be Revised for N.K. Threat,” Korea Times, May 26, 2010)

PM Hatoyama Yukio was facing open rebellion in his coalition over the Futenma issue, and the possibility of it splintering if efforts fail to heal the rift with Fukushima Mizuho, who leads the Social Democratic Party. Fukushima, whose Cabinet portfolios cover consumer affairs and the declining birthrate, visited Okinawa Prefecture today and met with Governor Hirokazu Nakaima. During the meeting, Fukushima said, “The will of the people of Okinawa is clear. Constructing a U.S. base off the coast of Henoko absolutely cannot be allowed.” A Democratic Party of Japan official said the SDP’s cooperation would be needed if the party was to win in single-member prefectural districts in this summer’s Upper House election. Other government officials were also hinting at a separate document on the Futenma relocation for Cabinet approval. The government plans to have Foreign Minister Okada Katsuya and Defense Minister Kitazawa Toshimi release a joint statement with U.S. Secretary of State Hillary Clinton and Pentagon chief Robert M. Gates on the Futenma relocation this month. The document that would be submitted for Cabinet approval could be different by not including a specific site for the transfer of Futenma functions. There is precedent for such a move. When the Liberal Democratic Party held power, it reached agreement with the United States in 2006 to move Futenma’s functions to a runway off the Henoko coast built on landfill. That required the preparation of two different documents. (Asahi Shimbun, “Ruling Coalition Standoff on Futenma,” May 26, 2010)

China may soon abandon its cautious neutrality and join the international condemnation of North Korea’s role in sinking a South Korean warship, senior
American officials said. Speaking after strategic talks this week in Beijing, the U.S. officials predicted that China will gradually endorse the view that North Korea should be held accountable for the March 26 torpedo attack. On a visit to South Korea this weekend, Chinese Premier Wen Jiabao is likely to express regret for the deaths of 46 South Korean sailors in the incident and signal that China will accept the results of an international investigation blaming North Korea, the U.S. officials said. They spoke on condition of anonymity due to the sensitive nature of the discussions with China. Wen is also expected to leave open the possibility of backing action against Pyongyang at the U.N. Security Council, although it's not clear how far Beijing is prepared to go in rebuking its historic ally. (Matthew Lee, “China Could Join Moves to Sanction North Korea,” Associated Press, May 27, 2010)

North Korea threw out eight South Korean government officials from their joint venture in Kaesong in a stern response to Seoul’s move to punish the communist state for the deadly sinking of a naval warship. Taking steps to its declaration on Tuesday that it would sever all ties with South Korea, Pyongyang also threatened to completely shut down the joint industrial park in Kaesong just north of the border should Seoul resume its propaganda warfare. “If the south side sets up even loudspeakers in the frontline area to resume the broadcasting, in particular, the KPA (North Korean army) will take military steps to blow them up one by one the moment they appear by firing sighting shots,” an unnamed North Korean military chief said in a statement carried by the Korean Central News Agency. North Korea also notified that it was cutting off the hotline with South Korea at their truce village and their maritime communication links, Seoul’s Unification Ministry said. (Shin Hae-in, “N.K. Expels 8 Seoul Officials from Kaesong Park,” Korea Herald, May 26, 2010)

The General Staff of the Korean People’s Army issued the following crucial notice: “The top-class servants of the puppet ministries of Defense, Unification and Foreign Affairs and Trade buckled down all at once to putting into practice the scenario for confrontation with fellow countrymen already worked out by them after traitor Lee Myung Bak declared it as a ‘state policy’ to escalate all-out confrontation with the DPRK in his May 24 ‘statement to the people.’ Such movement of the group of traitors is an act of totally scrapping the historic June 15 joint declaration and the October 4 declaration, the program for implementing it, gains common to the nation, and a hideous criminal act of driving the north-south relations to the state of war. As the group of traitors dared preempt all-out confrontation with the DPRK, the KPA General Staff informs it in strong terms that the revolutionary armed forces of the DPRK will put into practice crucial measures to cope with such action. 1. The KPA will retract all measures for providing military guarantees for the north-south cooperation and exchange. It will start examining the closure of the military communications liaison offices in the eastern and western coastal areas and the total suspension of the overland passage concerning the Kaesong Industrial Zone, etc. for the present. 2. As for the anti-DPRK psychological campaign which the puppet military is set to resume, merciless counteractions will be taken throughout the frontline areas as the commander of the forces of the KPA in the central sector of the front had already warned the enemy side. 3. Bilateral agreements concluded to prevent accidental conflicts in the West Sea of Korea will be declared completely null and void. In
this connection the use of international maritime ultra-shortwave walkie-talkie will be banned and the communications line which has been in service to handle an emergency situation be immediately cut off. 4. The KPA will make a prompt physical strike at the intrusion into the extension of the Military Demarcation Line under our side’s control in the West Sea of Korea. 5. It will totally ban the passage of warships, airplanes and other means of transportation of the group of traitors through the territorial waters, air and land of the DPRK. 6. It will strictly ban the entry of the group of traitors including the puppet authorities into the DPRK. 7. It will probe the truth about the ‘fabrication’ and ‘charade’ to the last as long as the group of traitors persistently refuses to receive the inspection group of the DPRK National Defense Commission. The above-said steps are the first-phase reaction of the revolutionary armed forces of the DPRK to the reckless moves of the group of traitors, confrontation maniacs, sycophants and quislings to escalate the showdown with it. The group will come to keenly realize what dear price it will have to pay for having completely scrapped the June 15 joint declaration and the October 4 declaration. (KCNA, “General Staff of the KPA Issues Crucial Notice,” May 27, 2010)

Obama administration officials have dubbed their policy toward North Korea “strategic patience” -- a resolve that Pyongyang has to make the first move to reengage and that it won’t be granted any concessions. Now that patience is going to be tested. When Secretary of State Hillary Rodham Clinton stopped in Seoul on Wednesday to meet with President Lee Myung-bak and other officials, Lee’s spokesman said, she reaffirmed the policy of strategic patience. Officials traveling with Clinton said efforts to restart long-dormant nuclear disarmament talks had been put on hold. “What we’re focused on is changing North Korean behavior,” one senior U.S. official said. “We are not focused on getting back to the table.” “We recognize that diplomacy, some form of diplomacy with North Korea, is inevitable at some point,” another official said. “We’re really not there.” Analysts worry, though, that the administration’s policy allows North Korea to set the agenda. The United States and its allies are constantly reacting to Pyongyang’s actions and, partly as a result, have little opportunity to reduce tensions or bolster diplomatic efforts. The administration is “all about resolve. We want North Korea to know they can’t jerk us around again,” said Susan Shirk, a former Clinton administration official who is director of the Institute on Global Conflict and Cooperation and a professor at the University of California at San Diego. “The problem with it is, how do you credibly convince them that if they did something positive, we would be prepared to engage?” Still, L. Gordon Flake, a Korea expert who is executive director of the Mansfield Foundation in Washington, said the administration and the current South Korean government “have displayed remarkable adherence to their core principles in dealing with North Korea. There is a consistency you have not seen before.” But “looking forward, I’m a bit concerned,” he said. “It leads down a road where the diplomatic options are increasingly constrained. Strategic patience is a solid policy, but what if North Korea is not patient?” The lesson may be that the United States ignores North Korea at its peril. “The problem is that North Korea won’t let you put them on a back burner,” Shirk said. (Glenn Kessler, “Analysts: North Korea Tests U.S. Policy of ‘Strategic Patience,’” Washington Post, May 27, 2010, op. A-12)
South Korea heightened vigilance for additional military provocations from North Korea and began an antisubmarine drill, a week after announcing that the North torpedoed its warship in March. The antisubmarine exercise took place off Taean in central South Chungcheong Province. in the West Sea and was the first naval exercise since the Cheonan sank near the inter-Korean sea border two months ago. A 3,500-ton destroyer, three 1,200-ton patrol ships and six high-speed boats were deployed in the drill during which soldiers practiced dropping antisubmarine bombs and firing artillery shells, according to an officer at the Navy Second Fleet Command in Pyeongtaek. Seoul yesterday raised the level of WATCHCON, an alert state system used by and coordinated between South Korea and the U.S. to measure reconnaissance posture, from WATCHCON 3 to WATCHCON 2, which is in effect amidst “indications of a vital threat.” WATCHCON 1 is in effect during wartime. “We are on full alert for unusual military movements,” Defense Minister Kim Tae-young told a group of senior journalists today. “We have not detected any serious, major movements of North Korean troops so far” since the South prohibited North Korean vessels from passing through South Korean waters and resumed anti-Pyongyang propaganda broadcasts along the border as punitive measures for the Cheonan attack. (Kim So-hyun, “Seoul Launches Antisub Drills, Raises Vigilance,” Korea Herald, May 27, 2010)

South Korea plans to bring North Korea’s sinking of the South Korean warship Cheonan in March to the U.N. Security Council “at the earliest possible date,” the South Korean foreign ministry spokesman told a press briefing Thursday. “We are holding the basic view (the ship sinking) should be referred to the U.N. Security Council at the earliest possible date,”’ Kim Young Sun said. (Kyodo, “S. Korea May Seek U.N. Action on Sunken Ship as Early as Next Week,” May 27, 2010)

South Korea’s presidential office said Thursday it will decide the timing and scale of widely expected changes in military leadership, depending on the results of an ongoing state audit into its handling of the March sinking of a South Korean naval ship. It was a rebuttal to media reports that President Lee Myung-bak plans to replace many military commanders soon after the June 2 local elections, holding them responsible for a sloppy response to the Cheonan incident. (Yonhap, “S. Korea Mulls Shakeup of Military Leadership over Ship Sinking,” May 27, 2010)

North Korea said it is withdrawing all its military safeguards with South Korea, including a pact aimed at preventing clashes off their west coast, amid boiling tension between the sides after Seoul blamed Pyongyang for the sinking of its warship. The announcement by the North’s general staff heightens the risk of a conflict on the divided peninsula, where the communist state has warned of an all-out war against any punishment for the sinking. “The (North Korean military) will retract all measures for providing military guarantees for the north-south cooperation and exchange,” the North said in a statement. It also warned of “a prompt physical strike at the intrusion into the extension of the Military Demarcation Line under our side’s control in the West Sea of Korea.” The general chiefs of staff added its army will “mercilessly respond” if Seoul resumes its anti-Pyongyang propaganda broadcasts along the heavily armed border after a six-year hiatus. In apparent retaliation for the ban the South imposed on North Korean commercial ships and airplanes from its territory, the North said it will
carry out a similar measure against the South. The staff also said it is “immediately” cutting off its hot lines that have been used for emergency situations while shutting down military liaison offices on both sides of the peninsula. (Sam Kim, “North Korea Says It Is Retracting All Military Safeguards with S. Korea,” Bloomberg News, May 27, 2010)

Between 70 and 80 percent of North Korea’s submarine fleet is stationed along the eastern coast, where four shark-class submarines disappeared recently from South Korean radars. Compared to the shallow waters of the West Sea, conditions in the East Sea are so favorable to submarines that it has been referred to as a “paradise” for them. North Korea has around 70 submarines -- 20 Romeo-class subs weighing 1,800 tons, 40 shark-class subs (325 tons) and 10 salmon-class subs (130 tons). A Salmon-class sub is believed to be responsible for sinking the South Korean Navy corvette Cheonan. There are four North Korean submarine bases along the east coast, including Chaho Base where the four shark-class subs that vanished are stationed, as well as Mayangdo, Toejo and Wonsan, all in South Hamgyong Province. Chaho and Mayangdo are the main bases. Chaho is equipped with a cave to protect submarines from aerial attacks as well as a canal that can transport submarines faster to the ocean. (Chosun Ilbo, “N. Korea Subs Ply East Sea with Impunity,” May 27, 2010)

When Secretary of State Hillary Rodham Clinton on Wednesday declared America’s solidarity with South Korea in its mounting confrontation with North Korea, she had more than a domestic audience in mind: she was also speaking to the Chinese. “We believe it’s in everyone’s interest, including China, to make a persuasive case for North Korea to change direction,” Clinton said after meeting South Korea’s president, Lee Myung-bak. She implored the Chinese to study the 400-page South Korean government report that concluded that the North torpedoed a South Korean warship in March, killing 46 sailors. And she promoted a visit to Seoul tomorrow by the Chinese premier, Wen Jiabao, which American officials hope will open the door for Beijing’s support of a United Nations resolution condemning the attack. The American effort to muster Chinese backing for South Korea is emerging as a test case for how the Obama administration handles China, a nation that is more assertive on the world stage, yet possessed of some of the same insecurities and internal divisions that have long preoccupied its leaders. While China’s decision-making on core foreign policy issues tends to be secretive, American officials said they had picked up hints that there was some disagreement within the leadership about how to respond to North Korea’s behavior, pitting civilian party leaders against the military. The debate surfaced last year after North Korea tested a nuclear device, American officials said, and has accelerated since the attack on the South Korean ship, the Cheonan. Chinese civilian leaders have expressed growing puzzlement and anger about the North’s behavior, these officials said, while military officials tend to see the North’s moves as more defensible given the threat North Korea perceives from the United States. China and North Korea, onetime ideological allies, conduct their relations through their ruling parties. But the two militaries, which fought together against the United States and South Korea during the Korean War, have their own close ties. “There is profound frustration with North Korean behavior and with the way in which it complicates China’s own security calculations,” said a senior administration official, who spoke on the
condition of anonymity because he was not authorized to speak publicly. Clinton also pushed hard to change China’s aloof posture on the Korean standoff. She spent many hours in meetings with Chinese leaders, going over the fine points of the South Korean report and brandishing other evidence of the North’s involvement. Given China’s reluctance to single out North Korea, officials said it was unrealistic to expect that Mrs. Clinton could break down their resistance in a couple of days. That is likely to take days or even weeks of talks. Meanwhile, the United States signaled that it stood firmly behind President Lee, a former business executive who has the difficult task of responding to North Korea’s attack without allowing the situation to spiral out of control. Mrs. Clinton described him several times as statesmanlike. “We will stand with you in this difficult hour, and we stand with you always,” Mrs. Clinton said during a four-hour stop in Seoul. (Mark Landler, “U.S. Stands with an Ally, Eager for China to Join the Line,” New York Times, May 27, 2010, p. A-8)

PM Wen Jiabao told South Korean President Lee Myung-bak that his government will not “defend” anyone responsible for the sinking of a South Korean warship in March, Lee’s spokesman said. Wen, however, also said Beijing has yet to decide whether to accept a South Korea-led multinational investigation’s findings that blamed North Korea for a torpedo attack on March 26 tragedy that left 46 sailors dead, according to Lee Dong-kwan, senior secretary at the presidential office, Cheong Wa Dae. “The Chinese government will decide its position by objectively and fairly judging what is right and wrong about the incident while respecting the international probe and responses to it by each nation,” Wen was quoted as saying. (Lee Chi-dong, “Wen Says China Will Not Defend Anyone Responsible for S. Korean Ship Sinking: Cheong Wa Dae,” Yonhap, May 28, 2010) “The Chinese government will seriously review the results of the international probe and from countries concerned, and in accordance with the outcome, China will not protect anyone,” Wen was quoted as telling Lee. Wen said China has made efforts for peace and stability on the Korean Peninsula, and opposes and censures any kind of acts that can destroy this. President Lee called for China’s active role in addressing the Cheonan incident which claimed the lives of 46 sailors, the secretary said. “The President stressed that we have to employ a new method to lead North Korea to another path. He asked that China play an active role in making Pyongyang admit its wrongdoing,” the aide said. If Pyongyang goes unpunished again, it will think it can get away with anything whenever it does something wrong, the President said. (Jung Sung-ki, “China Will Not Protect Those behind Ship Sinking,” Korea Times, May 28, 2010) “China and Korea have established a strategic, cooperative partnership, built on political trust and continued communication on the North Korean nuclear issue,” Wen said before entering talks with Lee and other Korean officials. “The two countries have worked together in responding to international issues. We will make joint efforts with Korea to further develop the strategic, cooperative partnership.” (Kim So-hyun, “China Won’t Defend Anyone: Wen,” Korea Herald, May 28, 2010)

KCNA: “The National Defense Commission of the DPRK held a press conference at the People’s Palace of Culture today denouncing the Lee Myung Bak group of traitors of South Korea for having recently kicked off a racket of confrontation with the DPRK after groundlessly linking the case of the sinking of warship Cheonan with it. … Maj. General
of the Korean People’s Army Pak Rim Su, director of the Policy Department of the NDC, spoke at the press conference. Referring to the fact that the situation created after the case of warship Cheonan cooked up by the group of traitors is so grave that a war may break out anytime, he stressed that any accidental clash that may break out in the waters of the West Sea of Korea or in areas along the Demilitarized Zone will lead to an all-out war. The South Korean puppet authorities persistently refused the field inspection, unilaterally insisting on the forged ‘results of investigation’ out of guilty conscience, he noted. He disclosed the truth behind the case as follows: The case of the warship sinking is a fabrication and charade orchestrated by the South Korean puppet authorities from A to Z. First, we can say this because the ‘scientific investigation’ and ‘objective investigation’ touted by the South Korean authorities were nonsensical. To begin with, the ‘team for investigation’ was formed in such a way that it could not make a scientific and objective investigation, and this is clear from the fact that the South Korean military supervised the investigation. It is as clear as noonday that in what direction its results were worked out because the investigation was supervised by those who should be tried for being chief culprits of the case. The ‘international joint investigation team’ was also made up of those countries which were not in a position to conduct an objective investigation. The United States was included in it. The U.S. is in the hostile relationship with the DPRK as it is still technically at war with it, and countries including Britain, Australia and Canada which joined the team are also those countries which participated in the Korean war by toeing the U.S. line and are now cooperating with the south Korean authorities. Clear is which party the members of the team from those countries would side with and what conclusion they would make. The same is the case with the ‘civilian and military joint investigation team.’ It raked up its brain to link ‘the material evidence’ produced with the DPRK after supporting the story about “the north’s involvement” the South Korean authorities spread before the results of investigation were announced. It was reported that civilians involved in the investigation team were hindered in their movements, leading a prison life aboard the warship ‘Tokdo’ of the South Korean navy, because they had been strictly isolated from the outside since the start of investigation. They were barred from taking part in the major investigation. No wonder, some were expelled from the investigation team for the mere reason that they made assertions contrary to the stand of the ‘Ministry of Defense’ and even they were prosecuted for them. The course in which the results of investigation changed several times and they were fabricated to gradually focus on the story about ‘a torpedo attack of the north’ goes to prove that the investigation was unscientific and nonobjective. The time and place the sinking occurred changed several times. At first, it was stated that the case took place at 21:45 and then it was corrected as 21:16, changing the time several times. The south side said that the warship was sunken near Baekryong Islet with lots of rocks, but later corrected that the place was changed into other place without rocks. It cannot be construed otherwise than intentional changes to draw a conclusion that the case was not an accident caused when the warship ran against rocks. The announcement of the stand on the question as to whether there was ‘outside provocation’ or not was also repeatedly changed. The captain of the warship Cheonan who can be called irrefutable eyewitness said at first that ‘there was not outside provocation at all.’ But, finally he said ‘there was outside provocation.’ The puppet military said at first that ‘there was no ground whatsoever to say it was an attack from the north.’
changed its stand by saying that ‘the warship was sunken by a torpedo attack of the north.’ It claimed there was no eyewitness who saw the column of water rising during the warship explosion, even among survivors of the warship. But later, it made a guard on Paekryong Islet far away from the waters where the ship sank state that he saw the white column of water 100m high in the pitch-dark. This was also a dastardly farce orchestrated by the group of traitors to link the case with the DPRK. There is a lot of evidence to prove it. The DPRK, therefore, categorically turns down and totally refutes the ‘results of investigation’ announced by the south side. Second, a scrutiny into the ‘evidence’ produced by the South Korean authorities makes it easy to guess that the story about ‘a torpedo attack of the north’ is a sheer fabrication. Senior Colonel of the KPA Ri Son Gwon, official of the Policy Department of the NDC, with the help of a visual aid analyzed ‘pieces of evidence’ produced by the south side one by one. He cited facts to scientifically prove that they were nothing but a sheer fabrication. Pak said there is the need to think over which side of both the north and the south got benefit from such case of warship sinking. He went on to say: The entire army and all the people of the DPRK are all out to bring about great innovations and leap forward in building a thriving nation in 2012, the historic year. Is there any reason for the DPRK to attack such South Korean patrol ship because it is channeling all its efforts into attaining the above-said gigantic goal? It was only the group of traitors that required such shocking case, he noted, laying bare its ulterior intention as follows:

The case was needed by the group to justify its anti-DPRK moves. The policy of the present South Korean government is, in a word, to totally deny the policy of reconciliation, unity, cooperation and exchange which was followed in the past. Furthermore, it is aimed to totally scrap the historic June 15 joint declaration and the October 4 declaration, the program for implementing it. This policy brought the inter-Korean relations to the brink of a war. The resistance of the South Korean public against it has reached the point of explosion. Precisely for this reason, the South Korean authorities needed the case of the warship sinking by ‘a torpedo attack of the north’ in a bid to spread among the South Korean people the conception that the DPRK is the ‘principal enemy,’ not fellow countrymen. Next, the case was needed to justify the South Korean authorities’ foreign policy put in a crisis. Under the existing agreement reached between the United States and south Korea, the ‘right to command wartime operations’ is to be transferred to south Korea in 2012. If this happens, the U.S. forces will be deprived of any justification to stay in South Korea. This would deal a telling blow at the South Korean authorities as they regard the ‘South Korea-U.S. alliance almighty’ as the core of their foreign policy. For this reason, the South Korean authorities cooked up the fiction that the warship was sunken by ‘an armed attack’ of the DPRK in a bid to hype such ‘security uneasiness’ that a war may break out on the Korean Peninsula any time. The case was also needed to rally the conservative forces in South Korea. The South Korean conservative ruling forces are now torn apart. This cannot but be a cause of anxiety for the present South Korean authorities. So, they floated the story that the warship was sunken by ‘a torpedo attack of the north’ in a bid to stir up confrontation with the DPRK and rally the conservative forces. The above-said case was also required to win in the forthcoming elections to local self-governing bodies. The puppet authorities egged the military warmongers on to groundlessly link the case with the DPRK in an effort to strain the situation and stoke the confrontation with it for the purpose of creating a phase
favorable for winning in the elections. For the present, the farce was needed to evade their responsibility for the case. It is quite evident that in case the sinking of the warship is confirmed to be caused by stranding from self-carelessness or the ‘aging’ of the warship, the blame for it will rest with the commander-in-chief of the puppet armed forces and military bosses. The group of traitors can prolong their remaining days only when it fakes up the conclusion that the warship was caused by the attack of the DPRK. **The noisy racket of confrontation with the DPRK kicked up by the group over the sinking of Cheonan is nothing but an act of precipitating its self-destruction as it is an undisguised declaration of a war against the DPRK and a hideous criminal act of driving the inter-Korean relations to the state of war. The DPRK has so far bolstered up its nuclear deterrent under the banner of songun [military-first] for the purpose of coping with such present acute situation. Its powerful physical means including nuclear weapons are not to be on display or to be stockpiled. Now is the time for the DPRK to demonstrate the mettle of its revolutionary armed forces. How the situation will develop entirely depends on the attitude of the group of traitors. Upon the authorization of the National Defense Commission of the DPRK, Pak once again notified the participants of the important steps taken by the KPA. And he solemnly clarified the principled stand of the army and people of the DPRK to strongly retaliate against the frantic actions of the group of traitors to do harm to the dignified DPRK.** (KCNA, “Press Conference on Case of Cheonan Sinking Held,” May 28, 2010)

North Korea is exporting nuclear and ballistic missile technology and using multiple intermediaries, shell companies and overseas criminal networks to circumvent U.N. sanctions, U.N. experts said in a report obtained by The Associated Press. The seven-member panel monitoring the implementation of sanctions against North Korea said its research indicates that Pyongyang is involved in banned nuclear and ballistic activities in Iran, Syria and Myanmar. It called for further study of these suspected activities and urged all countries to try to prevent them. The 47-page report, obtained late Thursday by AP, and a lengthy annex document sanctions violations reported by U.N. member states, including four cases involving arms exports and two seizures of luxury goods by Italy - two yachts and high-end recording and video equipment. The report also details the broad range of techniques that North Korea is using to try to evade sanctions imposed by the U.N. Security Council after its two nuclear tests in 2006 and 2009. The experts said an analysis of the four North Korean attempts to illegally export arms revealed that Pyongyang used “a number of masking techniques” to avoid sanctions. They include providing false descriptions and mislabeling of the contents of shipping containers, falsifying the manifest and information about the origin and destination of the goods, "and use of multiple layers of intermediaries, shell companies, and financial institutions," the panel said. It noted that a chartered jet intercepted in Thailand in December carrying 35 tons of conventional weapons including surface-to-air missiles from North Korea was owned by a company in the United Arab Emirates, registered in Georgia, leased to a shell company registered in New Zealand and then chartered to another shell company registered in Hong Kong - which may have been an attempt to mask its destination. North Korea is also concealing arms exports by shipping components in kits for assembly overseas, the experts said. As one example, the panel said it learned after North Korean military
equipment was seized at Durban harbor in South Africa that scores of technicians from the North had gone to the Republic of Congo, where the equipment was to have been assembled. The experts said an analysis of the four North Korean attempts to illegally export arms revealed that Pyongyang used "a number of masking techniques" to avoid sanctions. They include providing false descriptions and mislabeling of the contents of shipping containers, falsifying the manifest and information about the origin and destination of the goods, "and use of multiple layers of intermediaries, shell companies, and financial institutions," the panel said. It noted that a chartered jet intercepted in Thailand in December carrying 35 tons of conventional weapons including surface-to-air missiles from North Korea was owned by a company in the United Arab Emirates, registered in Georgia, leased to a shell company registered in New Zealand and then chartered to another shell company registered in Hong Kong - which may have been an attempt to mask its destination. North Korea is also concealing arms exports by shipping components in kits for assembly overseas, the experts said. As one example, the panel said it learned after North Korean military equipment was seized at Durban harbor in South Africa that scores of technicians from the North had gone to the Republic of Congo, where the equipment was to have been assembled. (Edith Lederer, “U.N. Experts Say N. Korea Is Exporting Nuke Technology,” Associated Press, May 28, 2010)

The National Security Strategy lays out multiple avenues to isolate North Korea and force it to abandon its nuclear weapons ambitions. "If the socialist country ignores its international obligations, we will pursue multiple means to increase its isolation and bring it into compliance with international nonproliferation norms," the report released by the Obama administration said. “The nation faces a clear choice. If North Korea eliminates its nuclear weapons program, it will be able to proceed on a path to greater political and economic integration with the international community.” The report, mandated by Congress, emphasized the shift in national security strategy to multilateralism through diplomacy, a departure from the Bush administration’s unilateralism allowing preemptive war, but it did not elaborate on the multiple means. “The United States will pursue the denuclearization of the Korean Peninsula,” it said. “This is not about singling out nations -- it is about the responsibilities of all nations and the success of the nonproliferation regime.” (Yonhap, “U.S. to Use Multiple Means for N. Korea’s Denuclearization: White House, May 27, 2010)

China "always opposes and condemns any acts detrimental to peace and stability on the peninsula," Wen said, according to the official New China News Agency. He added that Beijing “takes serious note of the results of a joint investigation by South Korea and other countries, as well as the reactions of all parties.” Still, Wen signaled a shift in position by not simply supporting North Korea and by telling Lee that China would not defend anyone responsible for the sinking of the 1,200-ton Cheonan. “It is a modest shift, but a pretty disappointing one," said Michael J. Green, a top adviser on North Korea in President George W. Bush’s administration. Green said that among China’s leaders, Wen is one of the most sympathetic to South Korea’s position and that his remarks indicate that China ultimately would support a U.N. resolution -- but "will do everything to water it down" and press for a return to negotiations. He noted that "Beijing never before has been under such pressure to choose between North and
South,” which is a major trading partner. Russia announced this week that it will send a team of experts to examine evidence gathered by investigators. South Korean officials said they think that Russia is likely to accept their findings. China has made no similar commitment to send its scientists to look at the evidence. But South Korean Foreign Minister Yu Myung-hwan said in an interview Friday that it is his “expectation” that such a commitment will be made after officials “consult with the Chinese a bit more.” Yu said South Korea needs to move carefully in dealing with China on the ship incident, nudging Beijing to accept the “facts” of the investigation without derailing “very good relations” between the two countries. “I don’t want to push them,” Yu said. China is South Korea’s most important trading partner, the primary focus of its foreign investment and its leading tourist destination. About 5 million people travel between the two countries every year. Yu said his government understands that the warship’s sinking has pushed Beijing into an awkward corner. “China has a very special linkage and interest” in North Korea, Yu said. “So I presume that it is not that easy to ignore the North Koreans’ appeal to support their position.” “If China will do anything, it will be done in a very quiet manner,” Yu said. “China will never say in public what they are going to do.” (Blaine Harden, “China Toughens Stance toward North Korea, But Doesn’t Back Sanctions,” Washington Post, May 29, 2010, p A-12)

DPRK Foreign Ministry spokesman’s statement: “Recently the U.S. secretary of State let loose a spate of sheer lies to brand the DPRK as the chief culprit of the warship sinking during her junkets to Japan, China and south Korea. But a scrutiny into who is to benefit from the “story about a torpedo attack by north Korea” and what will be gained from it makes it clear that the case was orchestrated by the U.S. and the south Korean authorities. Firstly, the Obama administration is using the recent case for orchestrating with utmost efforts a farce to make it appear “strong” with the Congress mid-term election slated for coming November at hand as it was known to be weak externally in the first year of its administration. Secondly, the U.S. hyped the “threat from north Korea” to sound real, finally making the ruling Democratic Party of Japan, which had been keen to drive the U.S. forces out of Okinawa, yield to it. This is the reason why the “results of investigation” were announced within May. Thirdly, the U.S. has come to justify its policy of "strategic patience" designed to degrade the environment for international investment in the DPRK and steadily suffocate its economy. Fourthly, it became possible for the U.S. to put China into an awkward position and keep hold on Japan and south Korea as its servants. The truth remains unchanged though the U.S. sticks to its own opinion. The U.S. is blustering that it would refer the said case to the UNSC, but the UNSC is the very forum which had already been besmirched due to Powell’s lies about Iraq in February 2003. The U.S., branding the case as a “breach of the Armistice Agreement,” instigated the south Korean authorities to spread the assertion that the case should be discussed at the ‘Military Armistice Commission’ (MAC). This is also a self-contradiction. As far as the AA is concerned, it was reduced to a dead document long ago due to the U.S. The MAC has been defunct since the U.S. unilaterally recalled the senior member of the "UN Forces" side and replaced him with a ‘general’ of the south Korean puppet army, not a signatory to the AA. As the MAC exists only in name, the U.S. government made a conclusion that the case is a ‘violation of the AA’ before the ‘UN Forces’ side of the MAC announced that it would make an investigation into the violation. Irony is that the U.S. secretary of State is vociferating
about the AA, though she does not know in what shape the AA is. ... The U.S. is seriously mistaken if it thinks it can occupy the Korean Peninsula just as it did Iraq with sheer lies. If the UNSC is again taken in by U.S. lies and tables the ‘results of investigation’ into the ‘Cheonan’ warship and discusses them, then this will mean that the UNSC is misused for encroaching upon the dignity of the Korean people and the sovereignty of the DPRK. In case the DPRK takes toughest self-defensive counter-measures as already declared, the U.S. and its servants will be wholly to blame for their consequences.” KCNA, “FM Accuses U.S. of Creating Atmosphere of International Pressure,” May 28, 2010)

China has put forth a new mediation offer regarding the Cheonan. A diplomatic source who requested anonymity said that China had proposed to the U.S. to conduct a joint investigation with the participation of the UN Command, China and North Korea. The source said China made the offer last week through its UN delegation in New York, and that the offer called for convening the UN Command’s Military Armistice Commission, which has lost its function over time. The U.S. and China reportedly informed the South Korean government of the offer through the UN Command’s special investigation team for the Cheonan sinking following some final adjustments during China-U.S. strategic and economic talks in Beijing from May 24 to 25. In response, the UN Command special investigation team told the South Korean government that they will ask China’s People’s Liberation Army to rejoin the Military Armistice Commission, and will request the North Korean People’s Army also send representatives to the Joint Observer Team. The UN Special Investigation Team also reportedly stressed the need to resolve the Cheonan incident through dialogue. The UN Command Military Armistice Commission composed a special investigation team on May 22 to look into the cause of the Cheonan sinking. (Hankyore, “China Proposes U.N. Military Armistice Commission Convene for Reinvestigation into Cheonan,” May 29, 2010)

As pressure tightens on North Korea to come clean on its attack on a South Korean warship, the exit strategy for Pyongyang’s idolized leader, Kim Jong-il, may be lying in the words of his foes -- or in the absence of words directly placing blame on him. Koh Yu-hwan, a North Korea professor at the Dongguk University, said the only way for Pyongyang to survive the crisis would be for its 68-year-old leader to have the courage to say, “I did not know.” He said, “That would be the most rational face-saving measure for Kim.” Koh said if North Korea chose to admit to its responsibility, it would likely blame a military unit that harbored a grudge for a naval defeat off the west coast in November last year. Room for such a maneuver opened when South Korean President Lee Myung-bak made a nationally televised address last week, refraining from directly criticizing Kim Jong-il. His aides said the name of the North Korean leader was absent from the text on purpose. The restraint was shared by the U.S. when its top diplomat, Hillary Clinton, visited Seoul earlier this week and said her country is considering “additional options and authorities to hold North Korea and its leaders accountable.” “The plurality in describing the North Korean leadership is a shrewd diplomatic move that allows the North room to breathe and think,” Kim Hong-kyu, a scholar at the state-run Institute of Foreign Affairs and National Security. “South Korea and the U.S. are leaving open a retreat route for Kim,” he said, a view shared by Lee Sin-hwa, an
international relations expert at Korea University in Seoul. “Clinton’s remarks appear to be in line with President Lee’s,” she said, adding the North could seize on the chance to find a scapegoat for the Cheonan sinking. In his routine briefing on May 26, South Korean Unification Ministry spokesman Chun Hae-sung hinted at a step the North could take to start defusing tension along their border. “When North Korea should apologize and prosecute those responsible (for the sinking,) it has again taken measures undermining inter-Korean relations,” Chun said as he expressed regrets for Pyongyang severing all ties with Seoul. “There’s the answer,” Lee, the analyst, said. (Sam Kim, “N. Korea’s Exit Strategy May Be Hidden in Foe’s Words,” Yonhap, May 28, 2010)

Sigal op-ed: “For the past year, the Obama administration pursued a policy of ‘strategic patience’ toward North Korea in the erroneous belief that sanctions would make Pyongyang more pliable. Instead of scuttling that policy in the wake of North Korea’s deadly attack on the South Korean naval warship Cheonan, the administration is now raising the stakes by supporting South Korea’s efforts to punish North Korea with more sanctions and to adopt ‘proactive deterrence.’ Yet punishment, even if justifiable, will not prevent another Cheonan any more than it has stopped North Korea from making more nuclear weapons. Worse, blockading North Korean shipping, stepping up naval patrols, and threatening to preempt militarily risks more firefights. Only negotiations might avert dangerous escalation. The Cheonan attack was the latest test of wills between North and South over Korea’s contested territorial waters. At the end of the Korean War, a sea boundary was unilaterally imposed north of the Military Demarcation Line on land. That Northern Limit Line is not recognized internationally and has long been rejected by the North. In 2007, the South signed a wide-ranging accord with North Korea’s Kim Jong Il that sidestepped the issue of the maritime border but pledged “to discuss ways of designating a joint fishing area in the West [Yellow] Sea to avoid accidental clashes and turning it into a peace area and also to discuss measures to build military confidence.” Within days of Lee Myung Bak’s election as president two months later, his transition team backed away from the summit accord. North Korea’s response was to build up its artillery near the boundary. It also accused South Korea of violating its territory in the West Sea, and launched short-range missiles into the contested area, a provocative reminder of the risks of leaving the issue unresolved. At the same time, Pyongyang urged that the armistice agreement be replaced with a permanent peace treaty as part of six-party talks on denuclearization, a step Seoul resisted. Throughout 2009 a war of words escalated, and on Nov. 9 the two navies exchanged hostile fire. After a North Korean patrol boat crossed the Northern Limit Line, the South fired warning shots. The North returned fire and the South fired some 50 rounds, crippling the vessel and causing an unknown number of casualties. The North Korean high command demanded an apology from the South, which did not respond. Amid media talk about avenging the attack, on November 26, by North Korean accounts, Kim Jong Il ordered his high command to train a “do-or-die unit of sea heroes.” His November order was executed with the March 26 attack on the Cheonan. Many officials in Seoul are still determined to show who is boss on the Korean peninsula. Unfortunately, that is North Korea’s game, one it plays all too brutally. Punitive action has been met tit-for-tat by the North in the past. Recall that Pyongyang’s reaction to Security Council sanctions in July 2006 for its
missile tests was to conduct a nuclear test. Its response to tougher UN sanctions in June 2009 for its second nuclear test was to reprocess more plutonium. In reaction to new sanctions, North Korea could restart its reactor at Yongbyon to generate more plutonium. Negotiations, whether in six-party talks or bilaterally, are the only way to keep that from happening. If the two Koreas refuse to hold talks, the six-party talks provide a forum for peace talks to defuse the current crisis. The only way to make the waters off Korea safer and stop further nuclear arming is to try negotiating in earnest. North Korean acceptance of responsibility for sinking the Cheonan would be a suitable starting point.” (Leon V. Sigal, “Sinking Strategy,” Boston Globe, May 28, 2010)

5/29/10

The Japanese and U.S. governments on Friday morning delivered a joint statement detailing a fresh agreement on the relocation of the U.S. Marine Corps’ Futenma Air Station in Okinawa Prefecture to the Henoko district of Nago, also in the prefecture. The document clearly states both governments have “confirmed the intention to locate the [Futenma] replacement facility at the Camp Schwab Henokosaki area and adjacent waters.” Henokosaki is a cape in the Henoko district, where Camp Schwab is located. Prior to the document’s release, Prime Minister Yukio Hatoyama and U.S. President Barack Obama spoke via telephone and confirmed the bilateral agreement. The document states the replacement facility’s runway zone will be 1,800 meters long, including overruns but excluding protective seawalls. Concerning the relocation of training programs, the document says both countries have “committed to expand the relocation of the U.S. forces’ activities...outside of Okinawa [Prefecture]. In this regard, utilization of Tokunoshima [island in Kagoshima Prefecture] will be considered,” on the condition appropriate facilities are developed on the island. As matters for further discussion, the document says, “The two sides intend to study opportunities to expand the shared use of facilities between U.S. forces and the SDF [Self-Defense Forces].” Locations and SDF facilities outside Okinawa Prefecture may also be utilized for relocation of U.S. forces’ activities, the document says. This is an apparent concession to the Social Democratic Party, which opposes the Futenma functions being relocated within the prefecture. Both sides will examine the option of relocating training programs outside Japan in the future, possibly to Guam. (Yomiuri Shimbun, “Formal Word on Futenma: Japan-U.S. Statement Sets Henoko as ‘New’ Site, Deadlines,” May 29, 2010) PM Hatoyama booted consumer affairs minister Fukushima Mizuho out of the cabinet after she opposed the base relocation agreement. Fukushima said the Social Democratic Party, which she heads, will discuss whether to quit the ruling coalition in an executive meeting tomorrow. Its departure would be another blow to the DPJ ahead of the July Upper House election. At a meeting of executives of the three ruling coalition parties in the evening, Hatoyama asked Fukushima, 54, and Shizuka Kamei, who heads the People’s New Party, the other junior coalition partner, to sign the Cabinet document on the Futenma relocation. When Fukushima said she could not do so, Hatoyama asked to talk privately to her. Unable to persuade Fukushima to change her mind, he fired her. Meanwhile, local government officials in Okinawa were outraged by the joint statement because Futenma heliport functions would not be moved out of the southern prefecture as Hatoyama had once promised and which many had prayed would happen. Okinawa Governor Hirokazu Nakaima said of Friday’s joint statement, "It is extremely regrettable. I have always thought that (a Henoko move) would be a very difficult choice. There is no other way to
put it.” Nago Mayor Susumu Inamine also threw cold water on the proposal to move functions to the Henoko area of his city and said, “There is zero possibility of pulling this off. It will simply not happen.” Inamine also said he would not negotiate with the central government over relocating Futenma functions to his city. (Ito Masami and Alex Martin, “Fukushima Fired from Cabinet over Futenma,” Japan Times, May 29, 2010; Asahi Shimbun, “Hatoyama Fires SPD Chief from Cabinet,” May 29, 2010)

5/30/10

China resisted pressure Sunday from South Korea and Japan to censure North Korea publicly for the sinking of a warship, calling only for regional tensions over the incident to be defused. The leaders of China, Japan and South Korea agreed that they will work closely to ease rising tension after the sinking of a South Korean warship by a North Korean torpedo in March and avoid a clash on the Korean Peninsula. But China maintained its position of not condemning North Korea during the annual trilateral summit on South Korea’s Jeju Island. “We have reached a common understanding that the sinking is a very serious issue for stability in Northeast Asia,” said Prime Minister Yukio Hatoyama, who spoke first at a joint news conference shortly after the two-day summit, standing next to his counterparts. Hatoyama, Chinese Premier Wen Jiabao and South Korean President Lee Myung Bak mainly discussed the aftermath of the ship sinking on the second day of the summit. During the news conference, Wen said, “The pressing task for now is to properly handle the serious impact caused by the incident, gradually ease tension over it, and avoid a conflict” on the divided peninsula. Wen said any development in East Asia would not be possible without peace and stability on the peninsula and China will “actively involve” itself in addressing the tragedy. Hatoyama, who has already shown his support for taking up the issue in the Security Council, said at the meeting that the whole international community needs to stand on the side of South Korea, according to Japanese government officials. But China, as well as South Korea, stopped short of mentioning whether the incident, which took place near the disputed maritime border with the North, should be brought before the United Nations, the officials said. Hatoyama and Wen will hold bilateral talks Monday in Tokyo, in which the Cheonan disaster will likely be high on the agenda. To help realize the next-decade vision, they agreed to establish a permanent secretariat in South Korea in 2011 in order to better coordinate their activities given that there are already 17 ministerial meetings, combined with some 50 dialogue programs. (Kyodo, “China, S. Korea, Japan Agree to Ease Rising Regional Tension,” May 30, 2010) “China will make proactive efforts for closer communication and seek to tackle the (Cheonan) issue in a direction that promotes peace and stability of the Northeast Asian region,” Wen said during his speech concluding the summit. “Without continued efforts for regional peace and security as the precondition, hard-earned progress in other areas of trilateral cooperation will disappear.” Noting that “resolving the tension and repercussions of the Cheonan case” was the “most pressing” security task now, the Chinese leader stressed that “a collision must be avoided.” (Kim So-hyun, “Collision Must Be Avoided: Wen,” Korea Herald, May 30, 2010) On Beijing’s fear of increased military tension on the peninsula in the second session of the summit, President Lee’s chief spokesman Lee Dong-kwan quoted the chief executive as saying, “We’re neither afraid of war nor do we want war. We have no intent to go to war. But we shouldn’t be lenient to ensure that North Korea stop going astray and direct Pyongyang onto the righteous path.”
Wen is known to have responded by saying, “China is a responsible country. We will respect the results of the investigation by the international joint inspection team and countries’ responses to it. We oppose and condemn any action that disrupts peace and stability on the Korean Peninsula.” Hatoyama said, “The six-party talks will be resumed only after North Korea clearly reflects on the incident and apologizes. It is natural that this case is referred to the U.N. Security Council, and Japan will strongly support it. We should not send the wrong message to North Korea.” They released a joint statement saying, “The leaders of Japan and China paid respect to the victims of the Cheonan incident, and conveyed condolences to their bereaved families and the Korean people.” “Leaders of Japan and China valued the joint probe by the Republic of Korea and the international joint inspection team, and the responses of various countries. The leaders of the three nations will continue consulting each other to ensure regional peace and stability, and to properly cope with the matter.” Presidential spokesman Lee said, “The inclusion of the Cheonan incident in the statement is in and of itself a major step forward,” adding, “The joint statement contains the bottom line among consensus on various issues.” (Dong-A Ilbo, “S. Korea, China, Japan to Cooperate on Cheonan Incident,” May 30, 2010) PM Wen said Beijing “will not protect anyone” after it had made an “impartial judgment” about who was responsible for the Cheonan. (BBC, “China ‘Will Not Protect’ Korea Ship Attackers,” May 28, 2010)

China appears to be seeking greater economic cooperation with North Korea, despite tensions over the North’s sinking of a South Korean naval ship, as provincial officials exchange visits and Beijing’s top envoy calls for greater business ties. Wang Min, a top communist party official in China’s northeastern province of Liaoning, visited North Korea on Thursday last week for economic cooperation talks, according to Chinese media reports published today. In a meeting with Kim Pyong-hae, a top communist party official in the North’s South Pyongan Province, Wang proposed that the two sides strengthen friendship through economic cooperation and seek mutual prosperity. Kim agreed to the proposal, according to the reports. (Yonhap, “China Seem As Seeking Greater Economic Cooperation with N. Korea despite Ship Sinking,” May 30, 2010)

Like many South Koreans, Choi Byung-wook said he felt outrage over the North Korean attack that sank the warship Cheonan and killed 46 sailors. But he also said that he did not expect the hostilities to get any worse and that his nation must continue to engage the North. “Inside, we are furious,” said Choi, 46, a government employee who shopped on a recent afternoon at a mall in this city just a few miles from the South’s heavily fortified border with North Korea. “But even with 46 dead, cutting off North Korea is not an option for us.” Choi’s views are typical in this affluent nation. Since the government released evidence implicating North Korea in the attack, reactions in South Korea have ranged from anger to betrayal and even disbelief that North Korea would launch a strike against a neighbor that had showered it with fertilizer, investments and food aid. But as the ship’s sinking has blown into an international crisis, South Koreans also seem divided over how to respond. Many appear reluctant to press the government to take action for fear of provoking the North even further. There is also strong sentiment here that regardless of the attack, South Koreans must continue to engage the North Koreans, whom they still view as impoverished if
sometimes dangerous relatives. “South Korea has a dual perception of North Korea as both brother and enemy,” said Lee Nae-young, a political scientist at Korea University. “After the Cheonan, the majority sees the North as enemy, but the brother view also remains.” For now, public opinion seems to have swung behind President Lee Myung-bak, a conservative who has taken a tougher line toward the North than his most recent predecessors did and responded to the sinking by cutting most economic links with North Korea. A poll by Gallup Korea, released May 27 by The Chosun Ilbo, a newspaper, showed that 60 percent of respondents supported the government’s sanctions against the North. Political analysts say Lee has seized on the Cheonan attack as an opportunity to lift his approval ratings, which were hovering below 50 percent before the crisis but have risen sharply. Analysts say the sinking of the Cheonan may also prove to be the final nail in the coffin of the so-called sunshine policy of his liberal predecessors, who in 2000 started giving the North aid with no strings attached in the hopes that it would open up. Public support for that policy began to falter after North Korea’s first nuclear test in 2006. “We can’t just keep throwing money at North Korea if they do this,” said Lee Eun-chan, 72, a retired construction worker who recently ate dinner at a restaurant in Munsan. But while passions are running high, they are tempered by a deep-seated resistance here against returning to an era of cold-war politics and hostility toward the North, political analysts say. A strong core of support for maintaining ties with the North cuts across South Korea’s otherwise divided landscape. Even President Lee has not called for permanently ending ties, but rather for resuming aid, trade and investment only when the North reciprocates by curtailing its nuclear programs. While most of the business community has stood by the conservatives, Mr. Lee has alienated one group: the approximately 700 South Korean companies that do business with North Korea or invest there. Many complain that they will suffer huge losses if economic ties are severed. Particularly concerned are the 121 companies that have invested in the industrial park at Kaesong, which the North has recently threatened to close. “They thought their business was supposed to free from politics,” said Kim Kyung-woong, chairman of the Council for Inter-Korean Civil Economic Exchange, a lobbying group. The conflicting emotions stirred by the Cheonan’s sinking are also apparent in Munsan, a suburb of Seoul with rows of white high-rise apartments filled with middle-class Koreans. “It may be stupid of us not to just sever ties, but it is not that easy with North Korea,” said Park Eun-joo, 48, who sells shoes at a local shopping mall. “We are living better than they are, so we have to forgive them.” (Martin Fackler, “Attack Bares South Korea’s Complex Links to North,” New York Times, May 30, 2010, p. 12)

The Social Democratic Party decided to leave PM Hatoyama’s tripartite ruling coalition, opposing an agreement between Japan and the United States to relocate a key U.S. military base within Okinawa Prefecture. The decision by the small party came after Hatoyama dismissed SDP leader Fukushima Mizuho Friday from the post of consumer affairs minister, as she refused to sign a Cabinet resolution on the relocation of the U.S. Marine Corps Futenma Air Station, insisting it should be moved out of the island prefecture or Japan. The departure of the SDP may add to pressure for Hatoyama to step down ahead of the House of Councilors election expected to be held in July. His Cabinet has been seeing its support rate nosedive, to 19.1 percent in the latest Kyodo News poll, over such issues as scandals involving political funds for Hatoyama and
other party members as well as the government’s uphill battle to nurture Japan’s nascent economic recovery. “If the SDP plays a role in building a new base in Okinawa, we would betray people’s trust,” Fukushima told reporters Sunday after the party held a meeting of its local chapter chiefs in Tokyo. She also said those regional heads have praised her decision not to stay in the Cabinet post. “The SDP will make full efforts to establish a new style of politics,” the head of the pacifist party added. The SDP said Tsujimoto Kiyomi, one of its lawmakers and a senior vice minister of land, infrastructure, transport and tourism, will also withdraw from the Cabinet. “It is really disappointing,” Tsujimoto said of the party’s exit from the coalition. But she indicated it is impossible for the SDP to make a concession on the base issue. (Kyodo, “SDP to Exit Hatoyama’s Ruling Coalition over U.S. Base Row,” May 30, 2010)

The Ministry of National Defense stated that it would prudently consider the timeframe for distributing propaganda leaflets across the armistice line to North Korea. The ministry had previously planned to resume the leaflet distribution early last week, hinting at a plan to delay distribution for the time being. Deputy Defense Minister Chang Kwang-Il said that they would decide on the timing of the leaflet distribution after making comprehensive decisions over several factors and the weather. This explanation indicates that the Defense Ministry plans to delay the timing of the distribution for the time being, taking into consideration North Korea’s vehement protests and a request by South Korean businesses in Kaesong for Seoul to hold off on restarting psychological warfare aimed at North Korea. (Hankyore, “Defense Ministry Suspends Distribution of Propaganda Leaflets to N. Korea,” May 31, 2010)

"North Koreans committed, you know, a heinous act, and I’m concerned there could be follow-on activities," Adm. Michael Mullen, chairman of the Joint Chiefs of Staff, said in an interview with "Fox News Sunday," adding North Korean leader Kim Jong-il "just doesn’t seem to do single things." Mullen said that the torpedoing of the 1,200-ton Cheonan and Kim’s failing health made the security situation in Northeast Asia "more fragile," adding "the goal remains to certainly not have a conflict break out." (Korea Times, “N.K. Could Make Further Provocations: Mullen,” May 31, 2010)

North Korea wants to continue to develop the Gaeseong Industrial Complex, an unidentified North Korean official said yesterday. The North Korean official made the remark to a South Korean official at a meeting of a joint commission handling operations at the complex in the North’s town of Gaeseong, according to a unification ministry official. Pyongyang also complained about Seoul’s decision to reduce the number of its workers at the industrial park, and banned South Korean firms from taking equipment out of the country, the ministry official said. Seoul announced last week that it would cut down the number of its workers at the complex by 40 to 50 percent as part of measures to make the North accountable for the sinking of a South Korean Navy ship which took the lives of 46 sailors. (Lee Tae-hoon, “N. Korea Wants to Keep Kesong Complex Open,” Korea Times, May 31, 2010)

Surprised by how easily a South Korean warship was sunk by what an international investigation concluded was a North Korean torpedo fired from a midget submarine, senior American officials say they are planning a long-term program to plug major
gaps in the South's naval defenses. They said the sinking revealed that years of spending and training had still left the country vulnerable to surprise attacks. The attack was evidence, the officials say, of how North Korea has compensated for the fact that it is so bankrupt that it can no longer train its troops or buy the technology needed to fight a conventional war. So it has instead invested heavily in stealthy, hard-to-detect technologies that can inflict significant damage, even if it could not win a sustained conflict. According to a recent strategic assessment by the American military based on the Korean Peninsula, the North has spent its dwindling treasury to build an arsenal able to start armed provocations “with little or no warning.” These attacks would be specifically designed for “affecting economic and political stability in the region” – exactly what happened in the attack on the Cheonan by a midget submarine using a torpedo. Admiral Mullen and other officials said they believed the Cheonan episode might be just the first of several to come. “North Korea is predictable in one sense: that it is unpredictable in what it is going to do,” he said. “North Korea goes through these cycles. I worry a great deal that this isn’t the last thing we are going to see.” Building a small arsenal of nuclear weapons is another big element of the Northern strategy – a double-faced deterrent allowing it to threaten a nuclear attack or to sell the technology or weapons in order to head off retaliation even for an act of war like sinking South Korean ships. In an interview last week, Adm. Mike Mullen, chairman of the Joint Chiefs of Staff, said that the joint training exercise with South Korea planned just off the country’s coast **in the next few weeks** represented only the “near-term piece” of a larger strategy to prevent a recurrence of the kind of shock the South experienced as it watched one of its ships sunk without warning. But the longer-range effort will be finding ways to detect, track and counter the miniature submarines, which he called “a very difficult technical, tactical problem.” “Longer term, it is a skill set that we are going to continue to press on,” Admiral Mullen said. “Clearly, we don’t want that to happen again. We don’t want to give that option to North Korea in the future. Period. We want to take it away.” American and South Korean officials declined to describe details of the coming joint exercises, except to say that they would focus on practicing antisubmarine warfare techniques and the interdiction of cargo vessels carrying prohibited nuclear materials and banned weapons. To counter the unexpected ability of midget submarines to take on full warships, the long-term fix will mean greatly expanding South Korea’s antisubmarine network to cover vast stretches of water previously thought to be too shallow to warrant monitoring closely – with sonar and air patrols, for instance. That would include costly investment in new technologies, as well as significant time spent determining new techniques for the South Korean military. High-ranking South Korean officials acknowledge that the sinking was a shock. “As the Americans didn’t anticipate 9/11, we were not prepared for this attack,” one South Korean military official said. “While we were preoccupied with arming our military with high-tech weapons, we have not prepared ourselves against asymmetrical-weapons attack by the North.” The South Korean military was well aware that the North had submarines – around 70, according to current estimates. But the focus had been on North Korea’s using larger conventional submarines to infiltrate agents or commandos into the South, as it had in the past, not on midget submarines sophisticated enough to sink a major surface warship. “We believe that this is the beginning of North Korea’s asymmetrical military provocations employing conventional weapons,” said the South Korean official, who spoke on the condition of
anonymity to describe the military’s internal analysis. “They will use such provocations to ratchet up pressure on the U.S. and South Korea. The Cheonan sinking is an underwater terrorist attack, and this is the beginning of such attacks.” The North has an active-duty military estimated at 1.2 million, with between five million and seven million in the reserves. But many are poorly trained, or put to work building housing or seeking out opponents of Kim Jong-il’s government. The best trained, best equipped and best paid of them are North Korea’s special operations forces, numbering about 80,000 and described by the American military as “tough, well-trained and profoundly loyal.” Their mission is to infiltrate the South for intelligence gathering and for asymmetric attacks against a range of critical civilian infrastructure and military targets.” (Thom Shanker and David E. Sanger, “U.S. Will Aid Naval Defense of South Korea,” *New York Times*, May 31, 2010, p. A-1)

Japan and China agreed to aim for the launch of a hot line between their leaders to discuss important issues in bilateral ties and avert emergencies in the wake of China’s recent activities in waters off Japan, a Japanese official said. PM Hatoyama Yukio conveyed his concern to Chinese Premier Wen Jiabao over incidents such as Chinese navy choppers flying in close proximity to Japanese destroyers in waters off Japan, and urged Beijing not to let similar incidents occur again. The two also agreed the two countries will formally launch talks on signing a bilateral pact over gas exploration in the East China Sea. (Kyodo, “Japan, China Agree to Launch Hot Line to Avert Emergencies,” May 31, 2010)

North Korea expressed a desire to keep a joint industrial complex in operation, South Korean officials said, while the South indicated that it might reconsider its decision to revive psychological warfare against the North. “We want to continue to develop the Kaesong project,” the North Korean authorities said in a message delivered through South Korean businessmen at Kaesong yesterday, according to a senior South Korean government official who briefed reporters Monday on the condition of anonymity. Jang Gwang-il, a senior policy maker at the Defense Ministry in Seoul, said that the South Korean military was still reviewing when to send leaflet balloons over the North. His remark was seen as a step back from the military’s earlier vow to send the balloons as soon as the weather permitted. Jang said that the South would “make a comprehensive review of the situation” before deciding whether and when to start launching leaflet balloons or broadcasting propaganda across the border. The apparent pause in inter-Korean tensions came a day after Prime Minister Wen Jiabao of China declined to join South Korea and Japan in publicly condemning North Korea at a three-way weekend summit meeting, instead urging both Koreas to defuse tensions. The developments showed that the two Koreas were carefully weighing the option of easing their confrontation, analysts said. “Neither side can afford to keep building up tensions,” said Kim Yong-hyun, a North Korea specialist at Dongguk University in Seoul. “Both sides have been raising tensions the way you blow into your balloon, and now they need an excuse for each other to stop blowing so that the balloon won’t burst.” (Choe Sang-hun, “Two Koreas Ease Tensions with Small Gestures,” *New York Times*, June 1, 2010, p. A-8)
The General Bureau for Central Guidance to the Development of the Special Zone, the North Korean institution in charge of administration for the Kaesong Industrial Complex, sent notification to South Korea yesterday that it would be continuing efforts to develop the complex and prohibiting the removal of facilities registered as company property within the complex. An official with the Unification Ministry said today that this message was delivered verbally to the Kaesong Industrial District Management Committee by an official with the bureau. The General Bureau announced that all facilities and goods within the complex could only be removed after passing through the North Korean revenue office located within the complex. The announcement also stated that the removal of facilities registered as company property would be prohibited as a rule, that companies with financial obligations such as wages would only be able to remove items after first settling their obligations, and that it would be prohibited to idle North Korean employees by removing facilities, raw materials or subsidiary materials. The bureau said that rental equipment could only be removed after confirmation of rental documentation, and that repair equipment could only be removed after verification of working order, repair time and conditions for reimportation. “South Korea’s announcement of restriction measures such as reducing the number of employees staying at the Kaesong Industrial Complex is a preliminary effort toward closing the Kaesong Complex,” the General Bureau also declared. “If the Kaesong Industrial Complex closes in the future, this is South Korea’s responsibility.” Analysts have interpreted this statement from North Korea to mean that it does not intend to preemptively close the complex any time soon. “They are trying to prevent South Korean companies from withdrawing beforehand by making the equipment removal conditions exacting,” said a Unification Ministry official. At the same time, observers say the move also reflects a determination by North Korea to prepare for the eventuality of a closure resulting from heightened inter-Korean tensions by laying responsibility at the feet of South Korea and minimizing their own losses. Moon Chang-seop, president of Samduk Tongsang, a tenant company in the complex, said, “Just as companies that go into China cannot just close up their factories whenever they wish, North Korea is presenting a kind of ‘insurance’ for a worst-case scenario.” (Hankyore, “N. Korea Announces Stringent Equipment Withdrawal Regulations for Kaesong,” June 1, 2010)

Prime Minister Yukio Hatoyama on Monday rejected calls for his resignation despite a further dive in his Cabinet’s dismal support rate and the fracturing of the ruling coalition. The Cabinet’s support rate fell to a new low of 17 percent, underscoring voter discontent over the relocation issue concerning the U.S. Marine Corps Air Station Futenma, a weekend survey by The Asahi Shimbun showed. Only 27 percent of voters polled May 29-30 approved of the government’s decision to keep the Futenma air station within Okinawa Prefecture, to an offshore site of Henoko in Nago. Fifty-seven percent disapproved of the decision. The support rate was 4 points lower than in the previous survey May 15-16 and the first to dip below 20 percent since Hatoyama’s Democratic Party of Japan took power last September. The nonsupport rate was 70 percent, up from 64 percent in the previous survey. (Asahi Shimbun, “Hatoyama to Stay; Support Drops to 17%,” June 1, 2010)
The Ministry of Unification lifted its ban on four types of finished products which completed consignment processing in North Korea, including 20 tons of garlic and garments, the first time it had allowed such shipments since the ban imposed in May. (Kang Hyun-kyung, “Seoul Eases Ban on Products Reprocessed in N.K.,” Korea Times, June 1, 2010)

Restricting cash inflow into North Korea is one of the most effective ways to punish the communist nation for sinking a South Korean warship and to prevent similar provocations, South Korea’s foreign minister said. “If cash inflow into North Korea is restricted, I think it will lower the possibility of nuclear weapons development and deter belligerent behavior,” Foreign Minister Yu Myung-hwan said in an interview with British broadcaster BBC aired Tuesday morning (Korean time). (Chang Jae-soon, “Restricting Cash Inflow Key to Punishing N.K. over Ship Sinking: FM,” Yonhap, June 1, 2010)

North Korean security authorities are sweeping the reclusive nation, searching for families left behind by defectors, sources said over the weekend. As tensions on the Korean Peninsula have ramped up, so has pressure on North Korean citizens. State security personnel are knocking at doors at night and if a family can’t account for all registered members, those present are taken into custody for “intense” interrogation, the sources said. If a family is found to have two or more missing members, the rest of the family can face execution, they said. Sources believe security officials have rounded up more than 1,000 North Koreans. The nationwide hunt for defectors’ families began in April. Along with the house-to-house searches, the Pyongyang city government began issuing new identity documents to everyone aged 17 and over on May 17. The new documents are part of activities to ferret out defectors’ families, the sources said. (Nishimura Daisuke, “N. Korea Hunts for Kin of Defectors,” Asahi Shimbun, June 1, 2010)

The U.S. nuclear-powered aircraft carrier George Washington will reportedly arrive in the Yellow Sea early next week for a large-scale anti-submarine drill with the South Korean Navy. A diplomatic source in Seoul said June 1, “The USS George Washington of the U.S. Navy’s 7th Fleet will depart from its base in the Japanese port of Yokosuka around Saturday,” adding, “Since it takes about two days to reach the Yellow Sea from there, the carrier will arrive in the Yellow Sea early next week for a large-scale anti-submarine drill jointly with the South Korean Navy.” The source said, “After agonizing over which unit of the 7th Fleet to mobilize, the Pentagon decided to dispatch the aircraft carrier, the core force of the fleet’s combat capability, given that the operation is intended to protest the North Korean attack.” In the exercise, the submarines of the two allies will likely maneuver and conduct a reciprocal search (tracing) operation before the tracked submarine emerge from the water to simulate a situation of being attacked and destroyed. The navies of the two nations will also likely hold a drill in which they consider a deserted vessel as an enemy ship and have a submarine fire a torpedo at it. A Seoul military source said the drill will entail a bombing exercise in which a destroyer launches a mine to destroy an enemy submarine underwater. (Dong-A Ilbo, “U.S. Nuke Carrier to Arrive in S. Korea for Drill,” June 2, 2010)
Having squandered a historic electoral mandate in less than a year, Prime Minister Hatoyama Yukio resigned, leaving his Democratic Party of Japan without a leader before a pivotal July election. The kingmaker of the ruling party, veteran politician Ichiro Ozawa, also quit Wednesday, after his ties to fundraising scandals had soured voters on the DPJ’s leadership. Sometimes called the “Shadow Shogun,” Ozawa was the political mastermind behind a landslide victory that last August ended nearly half a century of one-party rule in Japan, when the DPJ trounced the Liberal Democratic Party and Hatoyama took control of the government. “It is unfortunate that people have come gradually to not listen [to my government] and I realize that I am to blame,” Hatoyama said, in announcing his resignation at a meeting of party leaders. (Blaine Harden, “Japanese Prime Minister Yukio Hatoyama Resigns,” Washington Post, June 2, 2010, p. A-7) Political observers said the support of party kingpin Ozawa Ichiro will be a key factor in determining which of a number of Democratic Party of Japan heavyweights succeeds Yukio Hatoyama as prime minister. Deputy PM Kan Naoto was among a handful of names as the top candidates to succeed Hatoyama. Also expected to throw their hats in the ring are Land, Infrastructure, Transport and Tourism Minister Maehara Seiji, Foreign Minister Okada Katsuya and Sengoku Yoshito, state minister in charge of national policy. Kan, who also serves as finance minister, has been one of the DPJ’s marquee leaders since its foundation in 1996, when he and Hatoyama served as the party’s copresidents. As deputy prime minister, Kan is seen by some in the party as well-placed to make a smooth transition to the top job. Some DPJ members, however, place a big question mark over Kan, arguing he has produced no substantial results as state minister for national policy, nor as finance minister. “As deputy prime minister, he failed to support Hatoyama,” a government source said. Maehara has been favored as next prime minister in various public opinion polls, and his political distance from Ozawa and straightforward comments are highly regarded by anti-Ozawa and neutral factions alike. Maehara’s handling of political issues has been questioned. Just after becoming transport minister in September, Maehara unilaterally announced the cancellation of the construction of the Yamba Dam in Gunma Prefecture, causing outcry among local residents. In 2006, Maehara quit as DPJ leader over an e-mail that was submitted to a House of Representatives committee as evidence and later found to be fake. (Yomiuri Shimbun, “Succession Contest Likely to Hinge on Ozawa’s Preference, June 3, 2010) Hatoyama announced his decision at a morning assembly of DPJ lawmakers. He said there were two major reasons for his decision to step aside. One was to take responsibility for rocking the political boat over the Social Democratic Party’s decision Sunday to leave the ruling coalition. This stemmed from the SDP’s outright opposition to the government’s decision to relocate U.S. Marine Corps Air Station Futenma in Ginowan, Okinawa Prefecture, to the Henoko area of Nago in the same prefecture. “We have caused problems for the people of Okinawa Prefecture as well as those on Tokunoshima island in Kagoshima Prefecture,” Hatoyama said, referring to the island where the government plans to move some exercises. “I have to take responsibility for forcing the SDP into a position of leaving the ruling coalition.” Hatoyama gave as the other reason the public outcry that arose over scandals involving money in politics in line with his own political fund management organization as well as that of Ozawa’s. “I apologize for having a former secretary who was found guilty of violating the Political Fund Control Law and for the great problems that has caused all DPJ lawmakers,” Hatoyama said. He added, “There were also arguments
about Secretary-General Ichiro Ozawa in connection with the Political Fund Control Law. I asked him to step down as secretary-general for the purpose of resuscitating the DPJ and for creating a clean DPJ. He said, ‘I understand.’” Hatoyama also took responsibility for his Cabinet’s plunging support rates, now at 17 percent, according to a nationwide survey by The Asahi Shimbun last weekend. “The public has gradually stopped listening to what the government and ruling parties are doing,” Hatoyama said. "This is very unfortunate and is nothing more than a reflection of my own failings." Asahi Shimbun, “Hatoyama Resigns and Takes Ozawa with Him,” June 3, 2010)

President Lee Myung-bak’s party has suffered a surprising setback in local elections that were widely seen as a referendum on his handling of North Korea’s alleged torpedoing of a South Korean warship. Results from the June 2 elections were released on June 3, and the voter turnout of 54.5 percent was the highest for local elections in 15 years. Candidates of Lee’s governing Grand National Party had hoped that outrage in South Korea over the sinking of the Cheonan, which killed 46 South Korean sailors, would help them ride a conservative wave to victory. Lee’s government has formally accused North Korea of attacking the ship on March 26 with a torpedo from a submarine, a charge that the North has denied. “The election results were far less than we had expected and hoped for,” Cho Hae-jin, a spokesman for the governing party, said. The party’s chairman, Chung Mong-joon, an important ally of Lee, said he was stepping down over the poor results. Lee’s chief of staff, Chung Chung-kil, also offered to resign. Pre-election surveys showed that a majority of South Koreans blamed North Korea for the warship incident, which the government characterized as the worst North Korean military provocation since the end of the Korean War. Those surveys and political analysts had predicted that the president’s party would win at least 9 of 16 crucial races to elect big-city mayors and provincial governors in the voting on Wednesday. But the party won only six of the elections. Its main rival, the Democratic Party, won seven. The remaining three races were won by two independents and a candidate from a small opposition party. The results were a blow to Lee’s efforts to rally popular support for his campaign to punish North Korea. He also wanted a fresh mandate to push through his controversial $19 billion project to dredge and dam the country’s four main rivers. The mayor of Seoul, Oh Se-hoon, a member of Lee’s party, barely won re-election. But in a hotly contested mayoral race in Incheon, a large port city west of Seoul, the opposition candidate, Song Young-gil, a strong critic of Lee, won an unexpected victory. The ship’s sinking was an especially significant election issue there, because the ship went down within Incheon’s jurisdiction. Both of the central Chungcheong provinces also rejected governing-party candidates. They were unhappy that Lee canceled the previous government’s plan to relocate several central government agencies to a new town to be built in the region. Opposition politicians contended that Lee’s hard-line approach to North Korea had helped provoke the North to lash out. “Yes, people agreed with the president that the North needed punishing,” said Jeong Chan-soo, a senior analyst at the political consultancy MIN Consulting. “But when the government announced its investigative results on the same day when the election campaign began, and when President Lee chose the Korean War Museum as the venue to deliver his speech to criticize North Korea, they thought he was overreacting. ‘They felt a risk of war,’ Jeong added. ‘They thought they needed to rein in their president.’” Woo Sang-ho, a spokesman for the Democratic Party said, “This is
the people’s verdict on Lee Myung-bak’s arrogance.” Chung Se-kyun, the leader of the Democratic Party, said the results indicated that Mr. Lee should “abandon his confrontational policy on North Korea and ease tensions on the Korean peninsula.” (Choe Sang-hun, “S. Korea’s Governing Party Surprised by Election,” New York Times, June 3, 2010, p. A-1) The pre-election narrative seemed certain to win hearts, minds and votes. An explosion at sea ripped apart a South Korean warship, killing 46 sailors and outraging a nation. An international investigation concluded that a North Korean torpedo had sunk the ship. With elections looming, South Korean President Lee Myung-bak told his countrymen he would no longer tolerate such brutality. He severed trade links with the government of Kim Jong Il and vowed: “North Korea will pay a price.” But the fervor petered out as quickly as it arose. Voters did not rally round their president in Wednesday’s local and regional elections. There was no Korean version of the “9/11 effect” that many had predicted. Instead, Lee’s ruling Grand National Party was clobbered, stunned party bosses quit in shame and North Korea pronounced itself pleased. The election results suggest that many South Koreans, even those who are angry at North Korea for the Cheonan’s sinking and the deaths of their countrymen, are more concerned about maintaining peace than with teaching Kim a lesson. In a nation obsessed with education, consumption and the accumulation of wealth, voters have too much to lose. In interviews over the past two weeks, many said their desperately poor and heavily armed northern neighbor is too dangerous and too bizarrely governed to challenge overtly. “There is no winner if war breaks out, hot or cold,” said Lim Seung-youl, 27, a clothing distributor here who voted for the main opposition Democratic Party. “Our nation is richer and smarter than North Korea. We have to use reason over confrontation.” Most South Koreans, election returns show, do not see North Korea with the same moral clarity as their pro-American president, whose announcement of “stern measures” against the North was praised by Secretary of State Hillary Rodham Clinton as “entirely appropriate.” Young voters were especially disenchanted with Lee’s tough talk, exit polls show. They voted in unexpectedly high numbers, goading each other with tweets and text messages to get to the polls and casting most of their ballots for the Democratic Party, which questioned North Korea’s involvement in sinking the warship and accused Lee’s government of rigging the investigation that blamed the North. The Obama administration praised the probe for being professional, thorough and convincing. Most political analysts interpreted the vote as a rebuke of Lee for raising tensions too high after the Cheonan sank near a disputed sea border between the two Koreas. In the streets of Seoul, even the president’s supporters said he and his party went too far. "It was obvious that the government was trying to use the Cheonan politically," said Kim Mee-kyung, 46, a housewife who voted for the ruling party. "At first all Koreans supported Lee, but then he was too strong. In dealing with North Korea, moderation is best." Rather than seeking clarity, justice or vengeance in response to North Korea’s periodic outrages, South Koreans seem to be willing to muddle through in ever-more-prosperous shades of gray. The election results suggest they want Lee’s government to calm down and do likewise. “Experience teaches South Koreans not to overreact,” said Ryoo Kihl-jae, a professor at the University of North Korean Studies here. “I think people here interpreted Lee’s response to the Cheonan to be like a new Cold War. But now it is the 21st century, and that kind of thinking is seen as old-fashioned, as well as harmful to the economy and people’s standard of living.” Officials in the president’s office told
local newspapers that the election was a “serious setback” for Lee’s agenda. The Democratic Party demanded that the president apologize to the nation for turning the Cheonan’s sinking into a national security crisis. That seemed unlikely. But Lee appeared surprised and chastened by the vote. His spokesman quoted the president as saying, “The election outcome should be received as an opportunity for self-examination.” (Blaine Harden, “South Korean Voters Opt for ‘Reason over Confrontation with the North,” Washington Post, June 5, 2010, p. A-6) Before the sinking of the Cheonan on March 26, the ruling Grand National Party (GNP) seemed in good shape to make further gains. South Korea had beaten most of the industrialized world in recovering from the global financial crisis, and President Lee enjoyed relatively high approval ratings. A security crisis like the Cheonan incident would normally be expected to further rally support for the conservative party. Indeed, the GNP tried to use the incident to its advantage, with then-party chairman Chung Mong Joon going as far as saying that the main opposition Democratic Party, because of its support for North Korea, “should be taking as much of the responsibility as North Korea’s leader Kim Jong Il” for the sinking. While local issues—such as opposition to the Four Rivers Project and the ever-shifting plans for Sejong City—undoubtedly played an important role in the ruling party’s disappointing results, the most telling aspect of the election was the party’s poor showing among younger voters. These were the same voters who joined with the conservative party’s traditional base—older voters and those from the southeast—to put Lee Myung Bak into power. The results demonstrated that people in their 20s and early 30s have emerged as South Korea’s swing voters, a distinction they are likely to maintain in future elections. The demographic voting patterns in South Korea are closely tied to the country’s turbulent history. The older generations—now ages 50 and above—experienced division, war, and poverty. Many still harbor personal memories of the horrors of the North Korean invasion. Most credit the United States for having saved them from communism and having helped lift them to the level of one of the world’s leading industrialized nations. They remain strongly anti-communist and pro-American, favor growth-oriented economic policies, and generally vote for the conservative party in elections. The middle generation was once known as the “386” generation—i.e., people in their 30s, who went to college in the 1980s, and were born in the 1960s. As we enter the second decade of the twentieth century, they’ve been “upgraded” to “486s.” This generation is too young to remember the Korean War, and grew up during a period when high economic growth was a given. They experienced the violent upheavals of the 1980s, starting with the assassination of Park Chung Hee, followed by Chun Doo Hwan’s military coup and the Gwangju massacre. They spent their college years on the front lines of the fight for democracy while the United States openly supported Chun’s military government. They tend to be sympathetic toward North Korea and suspicious of the United States. Economically, they seek greater equality and increased spending on social welfare. They were the main supporters of former presidents Kim Dae Jung and, especially, Roh Moo Hyun. Today’s young people—18-35 year olds born between 1975 and 1992—were born into an advanced economy and democratic society. They have never known war or poverty, and most are too young to remember life under a dictatorship. They have experienced three economic crises; the most jarring of these was the so-called “IMF crisis” of 1997, because it led to the end of the old “lifetime employment” system. No longer could college students look forward to getting a job at a chaebol right after
graduation and expect to pass through a series of pre-determined promotions until reaching retirement age. Unemployment, layoffs, and irregular work became more widespread. The young South Koreans of today are cosmopolitan, pragmatic, job-oriented, and hyper-competitive. Young voters lined up in support of Lee Myung Bak in 2007 because they hoped the former business executive would be able to restore the days of high growth and thus create jobs. One of Lee’s campaign slogans was “747”—7 percent growth, US$ 40,000 per capita GDP, and South Korea becoming the seventh largest economy. While those hopes have failed to materialize, partially due to the global economic crisis and partially because they weren’t entirely realistic to begin with, Lee’s overall record on the economy has been pretty good. South Korea was the first OECD country to recover from the global recession and it currently projects an annual growth rate of nearly 6 percent. The success, however, has not been felt across the board. Companies coming out of the recession but faced with continued global uncertainty have focused on rehiring older workers rather than training younger workers for future expansion. As a result, youth unemployment remains high. Twenty-something job seekers complain that employers cling to the older way of hiring, favoring graduates of the so-called “SKY” universities (Seoul National, Korea, and Yonsei) over candidates from lesser-known schools who might have more accomplishments under their belts. Recent college graduates forced to take short-term contracts long for the job stability that their parents enjoyed. Thus retaining the loyalty of younger voters will take more than just a higher GDP; policymakers must somehow address the structural changes that are contributing to career anxiety in the young generation. In recognition of this problem, Lee Myung Bak nominated a 47-year old former provincial governor, Kim Tae Ho, as the new prime minister with the explicit mission of reaching out to younger voters. While younger voters remain focused on jobs, they are far less interested than their elders in the settling of past scores. Just as Republican attempts during the 2008 U.S. presidential election to revive the battles of the 1960s by tying Barack Obama to former Weatherman radical, William Ayers, failed to persuade young American voters, today’s attempts by both liberals and conservatives in Korea to revive the battles of the 1980s has little resonance among people who were in their infancy during that time. This includes the Truth and Reconciliation Commission, set up under Roh Moo Hyun to look into past human rights abuses, but criticized by conservatives as an attempt to discredit political enemies. Since regaining power, conservatives have attempted to reverse these trends, rewriting textbooks to remove what they termed “leftist distortions” and cracking down on teachers and other public employees who engaged in political activities. But the intolerance of dissent and quickness to resort to legal measures against their political opponents has reminded many Koreans of the civil rights abuses of past military dictatorships. This is why the GNP’s attempt to “securitize” local elections after the Cheonan incident, rather than having the rally-round-the-flag attempt they were hoping for, only reinforced the sense that the Lee administration was using the threat of North Korea for their own political purposes. Foreign Minister Yu Myung Hwan’s rant at the ASEAN Regional Forum that young people who voted for the opposition party should “go live under Kim Jong Il” certainly did nothing to expel those notions. The public reaction to the Cheonan incident also demonstrated that a substantial portion of the South Korean electorate still supports a policy of engagement toward North Korea. While inconsistencies and lack of transparency around the Cheonan
investigation may have contributed to the skepticism that has surrounded the government’s report, for the most part, the reaction has followed predictable lines. Supporters of the sunshine policy reject it as a frame-up, while proponents of taking a hardline embrace it as further proof of Pyongyang’s perfidy. Neither Lee Myung Bak’s hardline policies nor North Korea’s actions have convinced “sunshiners,” particularly among the 486 generation, that they should give up the pursuit of engagement and reconciliation. This possibility has profound implications for U.S.-South Korean attempts to coordinate their policy approach toward North Korea. In the past, South Korea and the United States were often at odds: South Korean President Kim Young Sam opposed U.S. President Bill Clinton’s engagement policy, and George W. Bush answered Kim Dae Jung’s sunshine policy with his “axis of evil” speech. This proved disastrous from a policy standpoint; neither confrontation nor engagement proved effective when only one ally was fully committed. The Obama administration has attempted to avoid this trap by allowing Seoul to take the lead on North Korea while Washington provides full support. This has succeeded in sending a unified message to the North, but has not done anything noticeable to change Pyongyang’s behavior. Officials on both sides agree that U.S.-South Korean relations are at their best state in years, despite some lingering differences over their pending free trade agreement. But will this closeness survive a change in government? (Timothy Savage, “Demography Is Destiny: Why South Korea Hasn’t Seen the Last of Sunshine,” 38North, August 12, 2010)

North Korea’s alleged attack on a South Korean patrol ship is part of dictator Kim Jong Il’s efforts to redraw the western sea border between the two countries, according to an increasingly held view. The March 26 sinking of the Cheonan, which South Korea blames on a North torpedo attack, has long been seen as retribution for the heavy damage South Korea inflicted on a North Korean ship in a November naval firefight. More broadly, intelligence analysts in Seoul and abroad believe the alleged attack is part of military muscle-flexing by Mr. Kim as he prepares to transfer power in his family’s regime to a son. The authoritarian, closed North, having denied torpedoing the Cheonan, isn’t talking about motivations. But some specialists and intelligence analysts in South Korea and the U.S. are focusing on what they see as the driving factor in the North’s actions, a sustained effort to redraw the inter-Korean border in the Yellow Sea off the two countries’ west coast. Known in South Korea as the Northern Limit Line, or NLL, the border was drawn up by the United Nations after the end of the Korean War in 1953. The North has objected to the line since the early 1970s, arguing in part that the line forces its ships to take lengthy detours to international shipping lanes. Those objections intensified in the 1990s and led to two deadly skirmishes in the area in 1999 and 2002. In 2007, leaders of the two Koreas agreed to turn the area into a “peace zone.” That agreement—vaguely worded, struck just ahead of a South Korean election by an outgoing government and never implemented—was interpreted in the North as erasing the border and in the South as keeping it. “North Korea’s provocations near the NLL are aimed mainly to show that it doesn’t acknowledge the line,” says Kim Jang-soo, who was South Korea’s defense minister in 2007. Officials and analysts in South Korea, backed by some in the U.S., are making connections between Kim Jong Il’s appointment early last year of his friend O Kuk Ryol to the National Defense Commission, the North’s most important state body, and an increase
in statements about the disputed sea border by the North’s state media. O led the North’s Operations Department, the umbrella group widely believed responsible for the regime’s illicit activities, including counterfeiting and drug production. The department was later merged with the military’s Reconnaissance Bureau, which includes its special forces, and is considered by outside analysts as most likely to have planned and carried out the Cheonan attack. “O was a childhood friend of Kim Jong Il and is perhaps his closest friend today,” says Bruce Bechtol, a Korea specialist and professor at the U.S. Marines Corps Command and Staff College. The latest tension over the NLL dates to an October 2007 summit between Mr. Kim and the South’s then-President Roh Moo-hyun. The leaders agreed they would create “a special peace and cooperation zone in the West Sea.” They agreed that military representatives from the North and South would discuss the issue further the next month but set no execution deadlines. Under North Korea’s definition of the area, Seoul would still control the islands it now does but it would access them through two narrow sea lanes. The North’s fishing vessels would get access to more coastal waters. And ships to and from the North’s port city of Haeju would no longer have to follow a coast-hugging western passage before traveling southward. South Korean officials appeared to disagree about what the proposal meant almost from its inception. Roh said it called for creating a joint fishing zone in the disputed border area. He called it the most significant accomplishment of the summit and hinted a few days later that he might bend on the NLL, saying it was “misleading” to describe it as a border. Kim Jang-soo, then-defense minister, said in an interview that he left the summit understanding that the sea border would remain intact. He and many military and political leaders in South Korea worried that changing the line would make it easier for the North’s naval ships to reach the Southern port city of Incheon and its capital, Seoul. In the November meeting between defense officials, “we talked a lot about common fishing areas with our North Korean counterparts,” Kim said. “But our position was that we could never agree with this area unless North Korea acknowledged the [NLL] line.” Some critics in South Korea saw the summit and Roh’s apparent flexibility on the line as an effort to bolster support for his progressive party, which was trailing in polls two months ahead of national elections. It was a miscalculation. The victor in the December election, current President Lee Myung-bak, in his campaign described the NLL as a “critical border that contributes to keeping peace on our land.” After taking office in February 2008, Lee said South Korea would move forward on the 2007 summit deal and other economic aid only after North Korea took steps to end its pursuit of nuclear weapons. After Mr. Lee’s election, there have been no further meetings on the proposed peace zone. (Evan Ramstad, “Korea Crisis Has Roots in Border Row,” Wall Street Journal, June 2, 2010)

Even as the United States tries to ratchet up sanctions against North Korea or its March 26 sinking of a South Korean warship, the United Nations is preparing to spend more than $170 million on new programs in the xenophobic communist state. More surprisingly, it is doing so with the knowledge and cooperation of the U.S. State Department. According to documents obtained by Fox News, the programs include English-language lessons for North Korean bureaucrats, in order to help increase foreign trade and investment that fell to anemic levels more than a decade ago, and millions more for “advocacy.” All are being planned in close cooperation with the North Korean dictatorship of Kim Jong-il. Many of the spending plans are well known
to the Obama Administration, which recently featured a job search posting on a State Department website for one U.N. agency position, which would monitor some of the health-related program spending from the North Korean capital of Pyongyang. After Fox News asked questions about the employment notice, it disappeared into an archive. State Department spokesmen did not reply to the questions before this article was published. Among the programs either under way or in the advanced planning stages: An $11.5 million, two-year anti-malaria program to be carried out by UNICEF and the World Health Organization (WHO). Another U.N. agency, the United Nations Office for Project Services (UNOPS) has been hired to monitor the program. According to UNICEF spokesman Christopher de Bono, "pre-implementation work" – including procurement of supplies – started shortly after a funding agreement was signed in February. According to another source, about $7.9 million has already been disbursed for that effort; a two-year anti-TB program that could cost up to $22.6 million that also would be carried out by UNICEF and WHO. The agreement covering the program is still being negotiated. Most of the money involved would go to TB diagnosis and treatment, including drugs; a $13.9 million plan by UNICEF to improve water, sanitation and hygiene, especially in rural areas; a $12.2 million education program run by UNICEF that "aims to improve the quality of education nationally." It will, among other things, help develop national standards for "child-friendly primary schools," and "new approaches in teacher training and instructional methodologies." The methods UNICEF is sponsoring "can be expanded to broader areas by the government and other partners;" a $13 million agriculture pilot project under the aegis of the U.N.'s Food and Agriculture Organization (FAO) to provide diverse food sources for North Korea's government-run agriculture cooperatives, and another $4.6 million to bolster North Korea's "food and agriculture information system," in the interest of enhanced "food security," starting next year; a $7.7 million program to bolster energy production and electrical transmission with assistance from the United Nations Environmental Program (UNEP) and the U.N. Industrial Development Organization (UNIDO), also starting in 2011; a $4.6 million UNIDO program to "support enterprises engaged in export trade," among other things, which would involve teaching "business English," establishing "networks of knowledge workers," as well as creating unspecified "knowledge management products and information services" to speed economic growth and development; a $2.9 million project for "improved national capacities in disaster management," involving the World Food Program, UNEP and FAO; a $9.7 million program by the U.N. Population Fund (UNFPA), largely in support of "reproductive health and rights." (George Russell, “U.N. Plans More Cash for North Korea's Dictatorial Regime,” Fox News, June 2, 2010)

A North Korean diplomat said that tensions on the Korean peninsula were running high over the sinking of a South Korean warship. “The present situation of the Korean peninsula is so grave that a war may break out at any moment,” Ri Jang-Gon, deputy permanent representative for North Korea at the United Nations in Geneva, said in a speech to the international Conference on Disarmament. Ri blamed the “grave situation” on South Korea and the United States and reiterated that North Korea had nothing to do with the sinking. He claimed that North Koreans “were making their utmost efforts to attain the goal of a powerful and prosperous country by the year 2012” and needed a “peaceful environment” to do so. “A peace treaty is the
only successful and reasonable way for the denuclearization of the Korean peninsula,” he added. However, he also warned that the North Korean people were "ready to promptly react to... various forms of tough measures including an all out war." U.S. Defense Secretary Robert Gates said on his way to an Asian security conference in Singapore that the United States and South Korea may hold additional military exercises in response to the alleged torpedoing of the ship. Gates said there were no plans to deploy a US aircraft carrier as part of the exercises. (AFP, “Korean War 'May Break out at Any Moment,’” June 3, 2010)

South Korea has found that pulling off an effective global action against North Korea in response to the maritime disaster that killed 46 sailors is a tough job indeed. To make North Korea suffer the consequences of its provocative act, the South is taking a closer look at the North’s illicit activities abroad through which it generates cash to sponsor its nuclear program. Minister of Foreign Affairs and Trade Yu Myung-hwan confessed in an interview earlier this week that the nature of the Cheonan incident made it difficult for Seoul to convince the international community to take action against the Cheonan case. “Countries like China consider the maritime disaster a domestic issue that needs to be resolved by the two Koreas,” he said. “The reaction is distinctively different from that in response to the North's missile and nuclear programs because they know that the weapons of mass destruction programs posed a grave threat to global security.” In an effort to send a clear message that North Korea will have to suffer because of its provocation, South Korea plans to work closely with its allies to cut the cash flow into the North. South Korea is also looking into the North's illicit activities such as drug trafficking, exporting weapons and trafficking counterfeit U.S. currency. In a recent interview with BBC, Yu said, “If cash inflow into North Korea is restricted, it will lower the possibility of nuclear weapons development and deter its belligerent behavior.”

A U.S. State Department report, “International Narcotics Control Strategy Report of 2003,” said that the most profitable lines of state-supported illegal businesses in the North remain drug trafficking, gold smuggling, illegal sale and distribution of endangered species, and trafficking of counterfeit U.S. currency. The question of how much money North Korea makes by engaging in illegal activities has not been answered accurately, mainly because the deals are made secretly. A U.S. Congressional Research Service report of 2007, titled “Drug Trafficking and North Korea,” said in conservative estimates it generated about $85 million in 1997 where $71 million came from drugs and the remaining part from counterfeiting. Cho Myung-chul, a research fellow of the Korea Institute for International Economic Policy (KIEP), told Korea Times that unavailability of accurate and credible data about the North’s clandestine deals makes it difficult for the South to make the North feel pain. “It is almost impossible to distinguish between legal and illegal trade. Plus, no one knows exactly where the deals are made, making it difficult to trace the flow of money,” the North Korean defector said. (Kang Hyun-kyung, “Seoul Mulls over Hurting N. Korea,” Korea Times, June 4, 2010)

South Korean President Lee Myung-bak assured Singaporean business leaders Saturday that there will never be a full-scale war on the Korean Peninsula despite rising tensions between the two Koreas in the wake of the March sinking of a South Korean warship. “The South-North Korean issue should be resolved by all means but it is
clearly not an easy task,” Lee said in a meeting with a dozen Singaporean business leaders, including Tony Chew, chairman of Singapore Business Federation, according to presidential spokesman Park Sun-kyoo. “But there is no chance of a full-scale war at all,” the president was quoted as saying, adding he will also try to prevent the recurrence of a skirmish between the sides. Lee was apparently seeking to dispel worries over the security condition on the peninsula where tensions have escalated since the South accused the North of torpedoing one of its warships, the Cheonan, and sinking it, killing 46 sailors. (Lee Chi-dong,” “Lee Says There Will Be No Full-Scale War between Two Koreas,” Yonhap, June 5, 2010)

Japan’s incoming prime minister is expected to form a new Cabinet tomorrow, with Finance Minister Kan Naoto standing a good chance of taking the top post, ruling party lawmakers said. A day after PM Hatoyama’s abrupt resignation, Democratic Party of Japan lawmakers moved quickly to choose his successor as the upper and lower houses of parliament both decided to name a new prime minister on Friday afternoon. With only about one month remaining before an expected upper house election in July, many key DPJ lawmakers have shown support for Kan, a co-founder of the party who has headed it twice since its establishment in 1998. FM Okada Katsuya and transport minister Maehara Seiji, who had earlier been seen as possible contenders in the race, said they will back Kan to be the DPJ’s new president. Other supporters of Kan include Sengoku, Yoshito state minister for national policy, Edano Yukio, state minister in charge of administrative reform, House of Representatives Speaker Yokomichi Takahiro and other former members of the now-defunct Socialist Party of Japan. “Now is the time to fully implement reforms aimed at knocking off a two-decade-old sense of despair,” the 63-year-old Kan, who is also deputy prime minister, said at a news conference to announce his candidacy. o far, there is only one rival for Kan in the DPJ leadership race to be held at a meeting Friday of all 423 of the party’s parliamentarians. Tarutoko Shinji, who chairs the House of Representatives Environment Committee, declared he will join the race, saying the DPJ needs “a generational change” in party leadership. Tarutoko, 50, said at a news conference that if he wins the election, his first job will be to reduce the number of lower house lawmakers to 400 from the current 480 as part of the DPJ’s ongoing efforts to trim wasteful spending. Tarutoko has been gaining support from some mid-career DPJ members who are relatively supportive of Ozawa. While Tarutoko appears to face an uphill battle against Kan, it remains to be seen how Ozawa will be involved in the leadership election as he leads an intraparty group of about 150 lawmakers, by far the largest within the party. Kan asked Okada for his cooperation during their talks this morning, and Okada agreed to back him on condition that the new party leadership neutralizes the influence of Secretary General Ichiro Ozawa, the DPJ powerbroker who will step down along with Hatoyama in connection with money scandals. (Kyodo, “Kan Gaining Support to Become Japan’s New Leader,” June 3, 2010)Naoto Kan, the man certain to become Japan’s next prime minister, underscored the importance of the U.S.-Japan relationship, calling it the “foundation” of Japan’s diplomacy, in a signal that he won’t backtrack on a recent pact between the two countries to keep a large American military base on the island of Okinawa. But in a news conference to announce his candidacy, Mr. Kan, the current finance minister, also underscored the importance of China to Japan, calling the relationship with its neighbor as “equally
important" as the relationship with the U.S. In terms of an economic policy, Mr. Kan— who is set to succeed Yukio Hatoyama, who resigned abruptly on Wednesday—offered few specifics, but made clear that he wouldn’t necessarily place growth over fiscal discipline. Mr. Kan said he will make a “big and sustained” effort to reduce the burden of the southern island of Okinawa for hosting U.S. military bases. But he also said he would “take into consideration the [recent] U.S.-Japan agreement” to keep a Marine air station in the prefecture. He added: “I believe the Japan-U.S. relationship is the foundation of Japan’s diplomacy. ... The course we need to take is to maintain a trusting relationship with the United States and at the same time to consider China as equally important. I think that’s the right course for Japan’s future as well.” (Mariko Sanchata and Takashi Nakamichi, “Kan Elected to Head Japan’s Ruling Party,” Wall Street Journal, June 3, 2010) Hours before he would become Japan’s latest prime minister, Naoto Kan received a memo from his predecessor, Yukio Hatoyama, that offered some advice that Hatoyama himself couldn’t follow. “Please take care of Japan-U.S., Japan-China and Japan-South Korean relations,” wrote Hatoyama, who never managed in his short stint as premier to balance the needs of his own citizens and his closest ally. (Chico Harlan, “Ruling Party Picks New Leader to Be Japanese Prime Minister,” Washington Post, June 4, 2010, p. A-8)

Daniel Sneider: “This marks the first time a Japanese government has fallen over U.S.-Japan security issues since Prime Minister Nobusuke Kishi was forced to step down in the wake of massive demonstrations against the conservative government’s decision to ram through the passage of a revised security treaty in 1960. Currently, the Japanese public blames Hatoyama and the DPJ for mismanaging the alliance. It is a narrative that the Japanese mass media has been pounding away at for months, and there is some truth to it. But eventually, if not immediately, the Japanese public is likely to notice that the nation’s principal ally, the United States, was intimately involved in, if not directly responsible for, the downfall of the Japanese prime minister. … Echoing U.S. officials, Hatoyama pointed to the North Korean sinking of a South Korean naval vessel and growing concerns about Chinese military activity to argue that he now understood the need for the Marines and their helicopters to stay on Okinawa. Privately, though, Japanese officials tell a different tale. "I do not consider that the Korean situation as well as the exchanges with the Chinese had much impact on Hatoyama’s decision on Futenma," a close adviser to the prime minister told me. “The Futenma decision comes very much out of the domestic situation—there was nowhere to relocate Futenma. The tense situation surrounding Korea may help to explain the decision to the general public, but it has nothing to do with the decision itself." Unfortunately for Hatoyama and the DPJ, it was way too late to convince the Japanese public of anything. As Japanese officials warned last winter, their coalition partners in the Social Democratic Party left the government in protest and threatened to back a no-confidence resolution in the Upper House of parliament. Weekend polls showed that even though two-thirds of Japanese citizens oppose the American solution, they still blamed Hatoyama for mishandling the affair. With his own party now worried that he would drag them down to defeat in Upper House elections in July, Hatoyama, along with Ozawa, left the stage. The clipped White House statement left little doubt that Hatoyama’s departure was welcome in Washington. But is this a pyrrhic victory? The next government is likely to be even less able to negotiate, much less to force Okinawa to accept the new base. A
weakened DPJ will probably have to forge a new coalition after the July Upper House election. Come November, Okinawa voters may elect a new governor who is an even more radical foe of all U.S. bases on the island. And the persistence of the Okinawa squabble will demonstrate to many Japanese people that Washington bears as much responsibility for this crisis as the departed prime minister. Eventually, after their anger and disappointment with Hatoyama fades, the Japanese people will turn their eyes toward Washington and wonder whether this is how allies should treat each other. It is a good question.” (Daniel Snyder, “Did Washington Bring down the Japanese Prime Minister? Slate, June 3, 2010)

Burma has begun secretly acquiring key components for a nuclear weapons program, including specialized equipment used to make uranium metal for nuclear bombs, according to a report that cites documents and photos from Sai Thein Win, a Burmese major who recently fled the country and who says he visited key installations and attended meetings at which the new technology was demonstrated. The smuggled evidence shows Burma’s military rulers taking concrete steps toward obtaining atomic weapons, according to an analysis co-written by an independent nuclear expert. But it also points to enormous gaps in Burmese technical know-how and suggests that the country is many years from developing an actual bomb. The analysis, commissioned by the dissident group Democratic Voice of Burma, concludes with “high confidence” that Burma is seeking nuclear technology, and adds: “This technology is only for nuclear weapons and not for civilian use or nuclear power.” “The intent is clear, and that is a very disturbing matter for international agreements,” said the report, co-authored by Robert E. Kelley, a retired senior U.N. nuclear inspector. Officials for the dissident group provided copies of the analysis to the broadcaster al-Jazeera, The Washington Post and a few other news outlets. Hours before the report’s release, Sen. James Webb (D-Va.) announced that he was canceling a trip to Burma, also known as Myanmar, to await the details. "It is unclear whether these allegations have substantive merit," Webb, who chairs a Senate Foreign Relations panel on East Asia, said in a statement released by his office. "[But] until there is further clarification on these matters, I believe it would be unwise and potentially counterproductive for me to visit Burma." The trove of insider material was reviewed by Kelley, a U.S. citizen who served at two of the Energy Department’s nuclear laboratories before becoming a senior inspector for the International Atomic Energy Agency. Kelley co-wrote the opposition group’s report with Democratic Voice of Burma researcher Ali Fowle. Among the images provided by the major are technical drawings of a device known as a bomb-reduction vessel, which is chiefly used in the making of uranium metal for fuel rods and nuclear-weapons components. The defector also released a document purporting to show a Burmese government official ordering production of the device, as well as photos of the finished vessel. Other photographs show Burmese military officials and civilians posing beside a device known as a vacuum glove box, which also is used in the production of uranium metal. The defector describes ongoing efforts on various phases of a nuclear-weapons program, from uranium mining to work on advanced lasers used in uranium enrichment. Some of the machinery used in the Burmese program appears to have been of Western origin. The report notes that the Burmese scientists appear to be struggling to master the technology and that some processes, such as laser enrichment, likely far exceed the capabilities of the impoverished, isolated country.
"Photographs could be faked," it says, "but there are so many and they are so consistent with other information and within themselves that they lead to a high degree of confidence that Burma is pursuing nuclear technology." A Washington-based nuclear weapons analyst who reviewed the report said the conclusions about Burma's nuclear intentions appeared credible. "It's just too easy to hide a program like this," said Joshua H. Pollack, a consultant to the U.S. government. (Joby Warrick, “Report Says Burma Is Taking Steps toward Nuclear Weapons Program,” Washington Post, June 4, 2010, P. A-8) Myanmar has been carrying out rudimentary steps toward developing nuclear weapons, a documentary released in June by an opposition group alleges. The documentary by the Democratic Voice of Burma featured information provided by Sai Thein Win, a former officer in the Myanmar army. Win claimed to have been deputy manager of special machine tool factories involved in Myanmar’s secret nuclear weapons efforts and ballistic missile development program. The opposition group also issued a corresponding report June 3 featuring an analysis of Win’s information by former International Atomic Energy Agency (IAEA) inspector Robert Kelley. Kelley claimed in the report that, taken collectively, the technology featured in Win’s information “is only for nuclear weapons and not civilian use or nuclear power.” Much of the information is based on photographs Win provided, which depict machining tools and machined products produced at two factories believed to be housing key elements of Myanmar’s nuclear and missile programs. Although the tools and machined products were dual use in nature, according to Kelley, many could be used as part of a uranium-enrichment program. Even if they were used for that purpose, the report suggested that Myanmar’s nuclear efforts are at the very early stages, and its capacity to complete such a program is uncertain. The report and documentary do not indicate any ties between North Korea and Myanmar’s suspected nuclear efforts; however, they do indicate North Korean assistance on ballistic missile development. According to the state-run New Light of Myanmar newspaper June 18, the IAEA wrote a letter to Myanmar’s permanent representative to the agency, Tin Win, June 14 raising questions about media reports of undeclared nuclear activities in the country. The newspaper report said that Win responded in a letter stating that “no activity related to uranium conversion, enrichment, reactor construction or operation has been carried out in the past, is ongoing or is planned for the future in Myanmar.” Myanmar is also a member of the Southeast Asia Nuclear-Weapon-Free Zone, a binding arrangement among 10 countries in the region that committed not to develop nuclear weapons or allow such weapons in the region. The Treaty of Bangkok, which establishes the zone, allows the states of the region to request statements of clarification or conduct fact-finding missions if they suspect a member state has violated the accord. (Peter Crail, “Report Alleges Secret Myanmar Nuclear Work,” Arms Control Today, July/August 2010, p. 44)

South Korea officially requested the United Nations Security Council to come up with a coordinated international action against North Korea after a multinational investigation team blamed it for the sinking of the naval warship Cheonan. (Kang Hyun-kyung, “Seoul Refers Cheonan Case to UNSC,” Korea Times, June 5, 2010)

A planned naval exercise between the U.S. and South Korea in the West Sea next week will be delayed, a spokesman for Seoul’s Ministry of National Defense said, apparently
fearful of the growing tension on the Korean Peninsula. Observers say the backtracking comes as Seoul and Washington are putting more weight on diplomatic efforts against North Korea. There are also worries about China’s opposition to massive military activities in waters off its coast. “We were notified of a plan late yesterday to delay the planned naval exercise,” ministry spokesman Won Tae-jae told reporters. “South Korean and U.S. defense authorities are discussing ways of readjusting the timeline and content of their joint maritime exercise in the West Sea,” Won said. Another ministry official said that the joint naval exercise would be downscaled to a certain extent. Earlier, South Korea announced that its Navy will hold a large-scale naval exercise with the U.S. Navy from June 7 to 11 as part of efforts to show off the allied forces’ deterrent capability against North Korean provocations. The government said a U.S. nuclear-powered aircraft carrier and advanced U.S. warships will participate in the drill. U.S. Defense Secretary Robert Gates denied any involvement of a U.S. aircraft carrier in a drill around the Korean Peninsula. Gates is in Singapore to attend an annual Asian security summit, where South Korean Defense Minister Kim Tae-young and scores of defense ministers, policymakers and military experts from 28 countries are attending. Pentagon press secretary Geoff Morrell said, “No carriers are going anywhere near the Korean Peninsula anytime soon,” he said. “No decisions of that sort have been taken yet.” However, Gates said Washington and Seoul are still consulting scenarios, including stepped-up anti-submarine exercises to deter a North Korean attack. “The exercises that are being discussed in Washington and between Washington and Seoul would be some additional exercises beyond the routine exercises,” he was quoted by AFP as saying. The U.S. defense chief called North Korea "even more unpredictable than usual." (Jung Sung-ki, “ROK-U.S. Joint Naval Exercise Postponed,” Korea Times, June 4, 2010)

DPRK Foreign Ministry spokesman: “As already clarified by the DPRK, the "results of the investigation" into the case announced by the U.S. and the south Korean authorities are a sheer fabrication. If they are true, there will be no reason for them to refuse to receive the inspection group of the National Defense Commission of the DPRK as already proposed by it to have those ‘results’ confirmed objectively. What is essential for settling this case is for the DPRK, a victim of the case, to verify the ‘results.’ … It is important for the member countries of the UNSC to pay primary attention to objectively probing the truth behind the case and make a right decision of their own if they do not wish to see the council reduced again to a tool for high-handed and arbitrary practices of the U.S. In case the above-said issue is referred to the council, it should take measures, before anything else, to ensure that the U.S. and south Korea receive the inspection group of the NDC as already proposed by the DPRK and have the ‘results of the investigation’ confirmed by it. It will be irrefutably evident that the U.S. and its followers are seeking an ulterior intention if they refer the case to the UNSC only with their unilateral ‘results of investigation’ while avoiding objective confirmation about its truth. Then, the U.S. and the UNSC will find nothing to say about the toughest retaliation the DPRK is to take as it did in the past, and they will never shrug off the responsibility for having blocked the denuclearization of the Korean Peninsula and sparked off a conflict.” (KCNA, “FM Spokesman on Attempt to Refer Warship Sinking to UN,” June 5, 2010)
Naoto Kan, Democratic Party of Japan leader, was voted in as the country’s new prime minister with his Cabinet to be launched early next week, roughly one month out from an expected upper house election that may prove tough for the ruling party. Kan, 63, who was deputy prime minister and finance minister in the Hatoyama Cabinet, will take the helm at a time when the country is struggling with a two-decade-old economic slump and is full of public mistrust in politics. He called for unity within the ruling party, after winning by 291 to 129 over sole contender Tarutoko Shinji, a less well-known DPJ lower house member who called for “a generational change” in party leadership. Many of those who supported Tarutoko in the election are affiliated politically with Ozawa, who heads an intraparty group of about 150 lawmakers, by far the biggest in the ruling party. Kan, the fifth prime minister since 2006, intends to launch a new Cabinet on Tuesday, DPJ lawmakers said. Kan is planning to name Sengoku Yoshito, who was state minister in charge of designing national strategy, as the government’s top spokesman, according to a senior DPJ lawmaker. The decision to pick Sengoku, who is known to be critical of Ozawa, as chief Cabinet secretary suggests that Kan is trying to create an image that the new government is distancing itself from the kingmaker. Among other key posts, Kan is considering appointing Edano Yukio, state minister for administrative reform, as the DPJ’s secretary general. Edano also has taken a strict stance on Ozawa’s way of doing politics. Also, there is a plan of appointing Renho, a TV presenter-turned-upper house lawmaker, to one of the major posts. Renho, who goes by her first name, has drawn attention for battling against the country’s powerful bureaucrats for eradicating wasteful spending. (Kyodo, “Kan Elected Japan’s New Lear; Cabinet Likely to Be Formed Tuesday,” June 4, 2010)

The military and state intelligence agencies are investigating a two-star army general on suspicion of leaking classified information to North Korea, the defense ministry said. The major general, identified only as Kim, had allegedly handed sensitive information to a former South Korean intelligence agent recruited by North Korea, according to prosecutors and investigators at the Defense Security Command (DSC). The information is related to Korean and American forces’ military operations drawn up in preparation for the possible breakout of war, they said. (Park Si-soo, “Army General Accused of Spying for N.K.,” Korea Times, June 4, 2010)

The Indian government seized and inspected the MV Musan in August 2009 after a six-hopur chase but no arms were found. India detained and inspected the MV Hyang Ro in October and again no arms were found. The first interception of an arms shipment under Resolution 1874 came on August 15, when the UAE inspected the Australian-owned, Bermuda-flagged ANL Australia and seized rocket launchers, detonators, munitions and ammunition for rocket-propelled grenades. On September 22, 2009 the South Korean National Intelligence Service and Coast Guard seized four containers of protective clothing from the Panamanian freighter MSC Rachele believed headed for Syria. Acting on a tip from U.S. sources Thai authorities seized more than 35 tons of arms from a Georgia-based Air West cargo plane and arrested five crew members after the plane made an emergency landing at Bangkok’s Don Mueang Airport. On February 25, 2010, South Africa reported to the U.N. Security Council’s Sanctions Committee its seizure of two containers of tank parts and other military equipment with an estimated value of $770,000 at Durban in November 2009 on a ship bound for the
Republic of Congo. In an interview with VOA on January 22, 2010, Siemon T. Wezeman, senior fellow at SIPRI, said North Korea’s weapons export dropped 90 percent after passage of Resolution 1874, noting that African nations had halted their purchases of arms. (Han Seung-jin, “Current State of Sanctions against N.Korea,” Vantage Point, June 2010, pp. 20-23)

A top North Korean official believed to be working to secure an eventual transfer of power from Kim Jong-il, the ailing North Korean leader, to one of his sons died last week, but analysts say they do not think it will impede the succession process. The analysts said that the death of the official, Ri Je-gang, coming soon after the death of another top official and the dismissal of yet another one, might instead help the son, Kim Jong-un, replace elderly leaders loyal to his father with those of his choosing. The North’s state-controlled media announced that Ri, a first deputy director of the Workers Party’s influential Organization and Guidance Department, died in a car accident soon after midnight on Wednesday. He was 80. Ri’s influence came from his job of shuffling party and military officials on Kim Jong-il’s behalf. As always, when dealing with reclusive North Korea, it is difficult for even longtime experts to divine exactly what is happening there, and the combination of the two recent deaths and the dismissal has fueled speculation that Ri might have been assassinated in a power struggle. But some analysts say the more plausible explanation is less nefarious: that Ri died while driving in possibly dangerous conditions. Kim Jong-il, a night owl and heavy drinker, likes to call in his confidants to late-night policy meetings and drinking parties, said Lee Sang-hyun, a North Korea analyst at Sejong Institute just outside Seoul. These officials judge their standing by whether they are invited to the night sessions, and if so, how often. “They get the order to attend in the middle of the night without a warning,” Lee said. By the time they set off to return home, they are often drunk, he added. Although top Korean officials generally retain drivers, Lee said the country’s leader often required officials to drive alone to the meetings to maintain secrecy. Since 2001, Ri has been the No. 2 at the organization department, a party organ Kim Jong-il used to consolidate his power in the 1970s and is still believed to be heading. Ri was also a close confident of Ko Young-hee, Kim Jong-un’s late mother who died in 2004, according to officials and analysts in Seoul. “Kim Jong-un lost one of his two most important promoters, except his father,” said Cheong Seong-chang, another North Korea expert at Sejong Institute. The other is Jang Song-taek, Kim Jong-il’s brother-in-law and director of the administration department of the party. Jang is said to have been in a long-running rivalry with Ri. Yoo Ho-yeol, a North Korea expert at Korea University, said the rivalry raised questions about whether Ri’s death was truly an accident, but Cheong said that if it had been an assassination, “the North would not have announced his death as quickly as they did.” In any case, both of the experts agreed that Jang’s influence would rise further with Ri’s death. But they said that the death would not create any serious challenge to Kim Jong-un because his father had already rallied the country’s most influential political players behind his son. The other top official to die recently was another first deputy director of the party’s organization department, Ri Yong-chol, 81, who the North reported had a heart attack in April. And in May, Kim Il-chol, 80, a member of the supreme National Defense Commission, was dismissed from all his duties. The announcement cited his old age – a highly unusual move in the North, where the power lineup is filled with octogenarians. “These deaths
and dismissals will give the son an opportunity to initiate a generational shift from octogenarians loyal to his father to a new lineup of officials in their 60s he is using to consolidate his own power," Cheong said. (Choe Sang-hun, “N. Korea Reports Death of Officials Guiding Succession,” New York Times, June 6, 2010, p. 12)

Seoul and Washington agreed in a bilateral security meeting in Singapore on Saturday to postpone a joint military exercise which they had decided to stage as soon as possible until late this month. Beijing had apparently called for a cancelation or drastic reduction of the scale of the exercise. Beijing has declined a fence-mending visit by U.S. Secretary of Defense Robert Gates to express its displeasure at Washington’s sale of US$6.4 billion worth of arms to Taiwan. According to diplomatic sources in Washington, Seoul is concerned that the UNSC, where China is a permanent member, may be unable to arrive at a sufficiently strong resolution. They recall that after a 1996 incursion by North Korea into waters off Gangneung, the UNSC adopted only a chairman’s statement, rather than a proper resolution, 12 days after the South Korean government brought the issue up, which only expressed concern and called for the armistice agreement to be upheld. “The UNSC chairman’s statement at the time was nothing but a piece of paper that failed to point to the culprit behind the provocation,” a diplomat recalled. (Chosun Ilbo, “S. Korea, U.S. Scale down Response to Cheonan Sinking,” June 7, 2010) Lee Myung-bak told the IISS Security Summit in Singapore, “If we once again tolerate North Korea’s blatant act of violence, then I believe that will not promote, but endanger the peace and stability of the Korean peninsula.” Lee said the aim in bringing the issue to the Security Council was to persuade Pyongyang to “admit its wrongdoing and pledge never again to engage in such reprehensible action.” He called for a “grand bargain” in which North Korea would give up its nuclear program in return for security guarantees and economic aid. U.S. Defense Secretary Robert Gates echoed Lee that “inaction would be an abdication of our responsibilities,” adding, “For nothing to happen would be a very bad precedent.” The U.S. is thought to be considering a menu of responses, including beefing up South Korea’s anti-submarine and anti-missile capabilities” and a repeat of efforts to cut financial flows. (David Pilling, “Pyongyang’s High Pain Threshold Poses Dilemma for South Korea,” Financial Times, June 7, 2010, p. 4) Secretary Gates told reporters in Singapore, where he is attending a regional security conference, that South Korea’s request for UN action may cause a delay in the planned exercises. “There is a sequencing involved in this,” he said. “And it may be that there is a desire first to see what can be accomplished at the UN, and then think about next steps beyond that.” (Chosun Ilbo, “U.S.-S. Korean Exercise May Be Postponed But Planning Continues,” June 5, 2010)

It was confirmed today that the Ministry of Unification has issued a statement to firms engaged in trade with North Korea through Kaesong Industrial Complex saying, “Even if you receive finished products as commissioned in Kaesong, do not send your remittance payments to North Korea.” Many officials from the firms, who have since demanded that their names not be revealed for fear of incurring disadvantages to their companies, said the Unification Ministry has demanded that they sign and submit a document entitled, “Memorandum Regarding Payments for Imported Items.” They said the memorandum sent by the ministry stated that in cases where the import of
completed goods is permitted, the companies promise to suspend sending processing fees. They also said the ministry is demanding that firms sign and submit an agreement to the memorandum. “The administration’s request that we should not pay processing fees to north Korea even if we accept finished goods makes me extremely uncomfortable, as their request seems to be no different than asking firms to engage in a form of fraud,” said another firm official. In response, some 40-50 representatives from firms producing clothing on commission in Kaesong plan to hold a meeting Tuesday afternoon at the Korea Federation of Textile Industries in Seoul’s Daechi neighborhood. During the meeting, they plan to form a group to address the recent situation and adopt a statement pressing the administration to put off executing its ban on trade on products produced on commission and fully permit the import of finished goods processed from raw materials already sent. “The measures pressed onto North Korea on May 24 have proceeded as planned, and the administration plans to maintain its current policy tenor,” said a high-ranking Unification Ministry official in response. A Unification Ministry official confirmed that the ministry has asked for firms’ cooperation in delaying payments to North Korea for the time being. This request was made as the ministry also decided to selectively permit the import of finished goods processed from raw materials sent before the May 24 measures in order to minimize the losses for firms operating in Kaesong. He said the administration would decide its position on the issue of sending payments to North Korea, such as processing fees, after internal consideration.” (Hankyore, “Unification Ministry Bans Payments for Received Imports from Kaesong,” June 7, 2010)

In 2009, North Korea’s foreign trade (not including inter-Korean trade) amounted to $3.41 billion, 10.5 percent less than 2008, which saw the largest amount of DPRK overseas commerce since 1991. Exports were down 5.97 percent ($1.06 billion), while imports were down 12.45 percent ($2.35 billion), recording a $1.29 billion trade deficit. These figures come from a KOTRA analysis of the Korea Business Center (KBC)’s statistics of trade with North Korea by foreign countries. North Korea’s main imports from China were crude oil and petroleum ($330 million, down 44.2 percent from 2008), boiler and machinery parts ($160 million, up 10 percent), and electrical components ($130 million, up 31 percent). Top exports to China included coal ($260 million, up 26 percent), minerals ($140 million, down 34.1 percent), and textiles ($90 million, up 20.7 percent). Germany, Russia, India, and Singapore were the North’s 2nd thru 5th largest trade partners. Trade with Germany was up 33.7 percent, amounting to $70 million, while trade with Russia, India, and Singapore dropped off. After these countries, Hong Kong, Brazil, Thailand, Bangladesh, and the Netherlands made up the rest of the top 10 trade partners, which account for 92 percent of all the North’s overseas trade. In addition, with continuing sanctions against the North by the United States and Japan, there were no exports to these countries, and imports from these countries amounted to a mere $2.7 million and $900,000, respectively. Inter-Korean trade for 2009 amounted to $1.68 billion, down 7.8 percent from the previous year. North Korean imports from the South were down 16.1 percent, recording $740 million. This was largely impacted by the closing of the Keumgang Mountain tourism project. Combined, North Korea’s total foreign trade was down 9.7 percent, to $5.09 billion, 53 percent of it with China and 33 percent with South Korea. (IFES Brief, “North Korean Foreign Trade Down 10.5% in 2009,” June 7, 2010)
North Korea promoted leader Kim Jong-il's brother-in-law in a rare parliamentary session, KCNA reported, in what appeared to be one of the strongest signals that a hereditary power succession is under way. In the second parliamentary session of the year, Jang Song-thaek, a senior Workers’ Party official, became a vice head of the National Defense Commission, adding Kim attended the meeting. Choe Yong-rim, chief of the Pyongyang department for the ruling party, replaced Kim Jong-il as premier of the Cabinet. “Discussed at the session were agenda items on the recall and election of the premier of the DPRK Cabinet and organizational matters,” KCNA said. “Jang is now in the most favorable position to take over the country should Kim become incapacitated,” Koh Yu-hwan, a North Korean professor at Seoul’s Dongguk University, said. “He’ll head the oligarchy and guide Jong-un.” Choe has been rumored to be an aide to Kim Jong-un as the young man is reportedly leading an ambitious project aimed at building 100,000 new housing units in the capital, Koh said. (Sam Kim, “N. Korean Leader Promotes Confidants Linked to Succession,” June 7, 2010) As its leader, Kim Jong-il, was watching, North Korea’s rubber-stamp Parliament fired its prime minister and elevated his brother-in-law to the government’s No. 2 post on Monday in a sweeping government reshuffle. Analysts said the changes were aimed at defusing public anger over a disastrous revaluation of its currency while consolidating Mr. Kim’s power at a time of considerable turmoil. Underlining their urgency, analysts said, Parliament was convened for the second time in two months, even though it normally meets only once a year. Mr. Kim, who is believed to be in failing health, is grappling with two daunting tasks simultaneously. He is trying to engineer a succession of power to his third son, Kim Jong-un, 27. And he is also struggling to provide for the needs of his people, who have suffered years of food shortages and the near collapse of the centrally planned economy. The Supreme People’s Assembly fired Prime Minister Kim Yong-il, who reportedly made a rare apology in February for the decision to slash the value of the North’s currency to fight inflation, a move that wiped out most savings and created social chaos. “North Korea is reshaping its cabinet in the face of public resentment following the botched currency reform,” said Kim Yong-hyun, a North Korea analyst at Dongguk University in Seoul. “By personally attending the parliamentary session and calling for Jang Song-taek’s appointment, Kim Jong-il made his brother-in-law the official manager of the power succession.” The currency devaluation in November, to fight inflation and crack down on the black markets, prompted sporadic and highly unusual outbursts of discontent as it drove merchants away from the markets and made it harder for people to find food. “I offer a sincere apology about the currency reform as we pushed ahead with it without sufficient preparation, and it caused a great pain to the people,” Kim Yong-il, the departing prime minister, said at a meeting of party members in Pyongyang in February, South Korean news media reported at the time, quoting unnamed sources inside the North. In March, North Korea executed its top financial official, Pak Nam-gi, holding him responsible for the currency devaluation, according to South Korean news reports. Today, three deputy prime ministers were fired and six were appointed. The new ministers of the mechanical and electronics industries will double as deputy prime ministers, reflecting North Korea’s promise to emphasize those industries. The technocrats who now seem to have fallen from favor reportedly backed a Chinese-style economic reform. (Choe Sang-hun, “N. Korea Reshuiffle Seen as Part of Succession Plan,” New York Times, June 7, 2010, p. A-)
The Democratic Party of Japan launched its new leadership under President Kan Naoto on the eve of the planned inauguration of a new Cabinet, with the powerful post of secretary general going to Edano Yukio, replacing Ozawa Ichiro who orchestrated last year’s landslide election victory. In an attempt to strengthen DPJ unity and ensure better coordination with the Cabinet, Kan resurrected the party's policy research council. Gemba Koichiro, 46, will head the council, after it was once effectively abolished by Ozawa when the DPJ swept to power last September. Tarutoko Shinji, 50, the relative unknown who was Kan’s sole challenger in Friday’s DPJ leadership ballot, became the new Diet affairs chief. Kan’s decision to have Edano as the DPJ’s secretary general is widely interpreted as an attempt to convey that his leadership will be less influenced in its decision-making by Ozawa, regarded as the most powerful figure in the party. Edano, as well as Sengoku Yoshito who will be chief Cabinet secretary in Kan’s government, are known to be critical of Ozawa. Kan kept the party’s upper house executive lineup unchanged, with Koshiishi Azuma, who has close ties with Ozawa, continuing to serve as head of the chamber’s caucus. (Kyodo, “New DPJ Leadership Chosen ahead of Cabinet Inauguration,” June 7, 2010)

Kan, treading a fine line between creating a fresh image for the ruling party and not antagonizing the largest bloc within it, managed to get his picks for party executives approved this evening without a hitch. After winning the post of president of the Democratic Party of Japan last Friday and later that day approval from the Diet to be the nation’s prime minister, Kan made clear that he wanted to move away from the excessive influence exercised by Ichiro Ozawa, who resigned as party secretary-general last Wednesday when Yukio Hatoyama threw in the towel as prime minister. However, with a DPJ following of about 150 lawmakers, Ozawa remains a formidable presence. If Kan ignores Ozawa, it would come at the expense of party unity--not an option, given that an Upper House election could be only weeks away. After Kan named Sengoku Yoshito as chief Cabinet secretary and Edano Yukio as Ozawa’s replacement as secretary-general, he tried to assuage concerns among those in the Ozawa camp by retaining Ozawa allies in key posts. Kan kept Koshiishi Azuma, a key Ozawa ally, as head of the DPJ’s Upper House caucus. In addition, Tarutoko Shinji, who ran against Kan in Friday’s DPJ presidential election and had been pushed by key Ozawa allies, was named as Diet affairs committee chairman. Mitsui Wakio, another key Ozawa ally, was retained as deputy chairman of the Diet affairs committee. Another Ozawa ally, Hosono Goshi, was named acting secretary-general. Hosono also retains his post as chairman of the party’s corporate and external organizations committee. In the latter post, Hosono served as a liaison for interest groups wanting to see their policy demands reflected in government programs. (Asahi Shimbun, “Kan Picks Key Execs, Appeases Ozawa,” June 8, 2010)

A top South Korean envoy arrived in China to seek Beijing’s support for a UN censure of North Korea over the sinking of a warship, but reaffirmed Seoul would not ask for new sanctions. There would be “no practical benefits” to any new Security Council sanctions since such measures were already in place, Vice FM Chun Yung-Woo told Yonhap before departing for Beijing. “But the council is the primary organisation responsible for maintaining international peace and stability,” Chun said. “In the context of such responsibility, it needs to take measures over the Cheonan incident.” (AFP, “South Korea Says Not Seeking Sanctions on North,” June 8, 2010) Chinese Vice
FM Cui Tiankai has presented a visiting high-ranking South Korean Foreign Ministry official with a framed poem by Song Dynasty poet Su Dongpo that appears to urge patience. “A courageous person is not startled by sudden events nor angered by injustice or perplexity. His heart is vast and his will is great,” the poem reads. The official who received the gift was in Beijing to win Chinese support for Seoul’s move to refer North Korea to the UN Security Council for sinking the South Korean Navy corvette Cheonan in March. “It appears that China is asking Seoul to exercise restraint for the sake of maintaining peace and stability in Northeast Asia,” a South Korean official said. (Chosun Ilbo, “China Tells S. Korea though Poetry to Be Patient,” June 17, 2010)

KCNA: “Sin Son Ho, permanent representative of the DPRK at the UN, sent the following message to Claude Heller, president of the UNSC, on June 8 as regards the grave situation prevailing on the Korean Peninsula: On May 20, 2010, the United States and the south Korean authorities released the ‘investigation result’ that forcibly linked the sinking of the south Korean warship ‘Cheonan’ with the DPRK. The DPRK straightaway and totally rejected the ‘investigation result’ and clarified its position that it has nothing to do with the incident, proposing that it will dispatch to the site of the incident its own inspection group of the National Defense Commission in order to conduct an objective evaluation on the ‘investigation result.’ It would be very useful to remind ourselves of the ever more increasing international doubts and criticisms going beyond the internal boundary of south Korea, over the ‘investigation result’ from the very moment of its release. As days go by, the objective and scientific military analysis and the environment surrounding the incident reveal that the incident is a fabricated scenario, purely out of political and military purposes of the U.S. The key to resolving the case lies in that the DPRK, which is the victim, takes an opportunity to verify and confirm the ‘investigation result’ on a scientific and objective basis. It is imperative for the United Nations Security Council not to step into the same situation as it was once misused as a tool of high handedness and hegemony of the United States by giving legitimacy over to its armed invasion into Iraq, based on a single word of lies of Powell in February 2003. The United Nations Security Council is strictly duty bound to adhere to the principles of respect for sovereignty and impartiality of UN Member States, as enshrined in the UN Charter. The United Nations Security Council is an organization with the securing of the global peace and security as a lifeline in its mission. If the United Nations Security Council, as an organization of such a mission, is in its genuine wish for peace and security on the Korean Peninsula, where a touch and go situation has been created due to the incident of ‘Cheonan,’ it should take, first of all, measures that can lead the U.S. and south Korea to receive the inspection group of the National Defense Commission as already proposed by the DPRK, the victim, to help verify the ‘investigation result.’ By doing so, the United Nations Security Council should give utmost priority to bringing to light the very truth of the incident, on an impartial and objective basis.” (KCNA, “DPRK Permanent Representative Sends Message to President of UNSC,” June 9, 2010)

The liberal opposition party called on President Lee Myung-bak on Thursday to work on thawing the chilled relations with North Korea by meeting with its leader,
apparently running counter to the conservative president’s hardening stance toward the communist state. Inter-Korean dialogue “must not be disturbed” by Seoul’s recent accusation that Pyongyang was responsible for the deadly sinking of a South Korean warship in March, the floor leader of the main opposition Democratic Party said, pledging “full support” should a third inter-Korean summit be held. “The president must come forward in improving the straining relations,” said DP’s floor leader Park Jie-won in an opening speech of the parliamentary June session. “We strongly ask the president to work on holding a third inter-Korean summit.” Park, a loyal supporter of the late President Kim Dae-jung, was one of the key South Korean officials who made possible the historic first inter-Korean summit in 2000. While Seoul must soften its stance “for the sake of bigger goals” of peace on the divided Korean Peninsula and the denuclearization of Pyongyang, North Korea is tasked to prove itself clean if it is “as innocent as it claims,” Park added. “North Korea must know our nation will not accept any action that disturbs peace on the Korean Peninsula and threatens the security of our people,” he said. (Shin Hae-in, “DP Calls for Summit between the Two Koreas,” Korea Herald, June 10, 2010)

The Army has installed two loudspeakers along the Military Demarcation Line (MDL) in preparation to resume its psychological warfare against North Korea. When the speakers will actually be used in propaganda has not yet been fixed, an official said. “Two loudspeakers have been set up and more will be ready by Wednesday,” a ministry official said, adding military units near the border have been placed on high alert. (Jung Sung-ki, “2 L oudspeakers Placed at Border with N.K.” Korea Times, June 8, 2010)

United States Forces Korea (USFK) officially confirmed Sunday that 20 minutes prior to the sinking of the Cheonan, South Korea and the U.S. had conducted an anti-submarine drill some 139 kilometers away in which a South Korean submarine played the role of a target. This marked the first time since the sinking that U.S. officials have concretely discussed what specifically goes on during joint South Korea-U.S. drills. Quoting U.S. military officials, the Associated Press reported June 5 (local time) that prior to the sinking of the Cheonan, two US destroyers and other ships practiced tracking while a South Korean submarine played the role of enemy. In response, USFK spokeswoman Army Col. Jane Crichton confirmed that the drill began at 10 p.m. on March 25 and ended at 9 p.m. on March 26 due to the blast aboard the Cheonan. “From 2 p.m. to 9 p.m. on March 26, a drill to block North Korean special operations units from infiltrating by sea was conducted, and until 5 p.m., this included an anti-submarine drill,” said Defense Ministry spokesman Won Tae-je during a regular briefing Monday. “After 9 p.m., the drill was over and the units were on orders to conduct night-time patrols.” (Hankyore, “S. Korea-U.S. Anti-Submarine Drill Conducted Night of Cheonan Sinking,” June 8, 2010)

North Korean border guards shot and killed three Chinese civilians and wounded another in an incident at the border last week, China’s foreign ministry said, prompting an unusual and public diplomatic protest from Beijing to its erstwhile ally, Pyongyang. Fomin spokesman Qin Gang, briefing reporters in Beijing, said the shooting incident occurred in the early morning hours of June 4, around the northeastern town of
Dandong, when the Chinese civilians crossed into North Korea to engage in illicit trading, common along the 880-mile border. South Korean and Japanese media reported that the Chinese were in a boat on the Yalu River attempting to smuggle copper from Sinuiju in North Korea, when they were fired on by a North Korean ship. Qin said China was investigating the incident and “attached great importance to it.” He added that China had “immediately made solemn representations” to North Korea. Chinese analysts on North Korea said that while cross-border disputes occur regularly, often involving livestock, a shooting of Chinese civilians was rare -- and the fact that the Chinese government chose to publicize it was even more unusual. “It’s a big deal,” said Zhang Liangui, a professor specializing in North Korea at the International Strategy Institute of the Central Party School. “In all my years of research, I don’t remember ever hearing similar news, that Chinese residents were killed by North Korean soldiers.” “Chinese people will be shocked to hear this news,” Zhang added. “This will affect Chinese people’s views of North Korea.” Shi Yinhong, a professor of international relations at Remnin University in Beijing, said “publicizing this incident itself shows China is unhappy about it.” (Ken Richburg, “China Says N. Korean Border Guards Killed 3 Chinese Civilians,” Washington Post, June 8, 2010)

Secretary of State Hillary Rodham Clinton announced that Robert J. Einhorn, Special Advisor for Nonproliferation and Arms Control, will serve as the U.S. coordinator for the implementation of sanctions related to Iran and North Korea. He will take on these new responsibilities while continuing to provide advice and support to Secretary Clinton, the Under Secretary for Arms Control and International Security, and other Department Principals on the range of nonproliferation and arms control matters. (DoS Statement, June 10, 2010)

Public support for new Prime Minister Kan Naoto’s Cabinet hit 61.5 percent, compared with the 19.1 percent the administration of his predecessor, Hatoyama Yukio, suffered before its resignation last week, a Kyodo News poll showed Wednesday. The latest telephone poll, conducted June 8-9 following the June 8 launch of Kan’s Cabinet, showed public support for his Democratic Party of Japan rose 7.7 percentage points to 43.8 percent from 36.1 percent in the previous survey last June 4-5. (Kyodo, “Kan Cabinet Garners 62% Support Rate,” Asahi Shimbun, June 10, 2010)

The Board of Audit and Inspection said Thursday it told Defense Minister Kim Tae-young a day earlier to “take appropriate steps, including disciplinary action” against the chairman of the Joint Chiefs of Staff, 22 other senior officers and two civilian ministry officials for negligence. Park Soo-won, a senior BAI official, said that the military had expected that a North Korean submarine or submersible vessel could secretly attack a South Korean ship near the sea border following a naval skirmish in November that left one North Korean soldier dead and three others wounded. However, the navy and the Joint Chiefs of Staff did not take appropriate countermeasures and neglected combat readiness, Park said. The audit agency also blamed the military for delaying its first report on the incident to the Joint Chiefs of Staff, its chairman and the defense minister. The military also did not correctly relay information to its higher commands, the agency said. 25 SKoreans face punishment over sinking of ship (Kwang-tae Kim, “25 S.Koreans Face Punishment over Sinking of Ship,” Associated Press, June 10, 2010)
About 300 activists and defectors opposed to North Korea's government gathered in the city of Paju near the inter-Korean border to denounce leader Kim Jong Il and launch leaflets and DVDs via huge balloons across the border. The leaflets and the DVDs contained information on the sinking of the South Korean ship, said Choi Sung-yong, one of the protest organizers. The activists said the balloons carried 150,000 leaflets, 300 DVDs, 200 portable radios as well as $2,000 in cash to support North Koreans. Park Sang-hak, who heads a group of North Korean defectors, said the activists wanted to "let North Koreans know the truth" about the ship sinking. "What a weak, opportunistic government we have in South Korea," Park said. "The government should be sending these flyers." (Kwang-tae Kim, “25 S.Koreans Face Punishment over Sinking of Ship,” Associated Press, June 10, 2010)

6/11/10 Seoul and Washington have confirmed that North Korea supplied Iran with submarines several years ago, showing that military exchanges between the two countries have reached a higher level, military sources said. The exports were 130-ton Yono-class midget submarines, the same model as the one believed to have torpedoed the South Korean warship Cheonan near the disputed western sea border with North Korea, killing 46 sailors on March 26. South Korea’s Ministry of National Defense late last month said a Yono-class submarine was built in a shipyard for special vessels in Pyongyang in June 2004. The submarine was likely built primarily for export, according to the sources. The U.S. government recently provided South Korea with several photos of a Yono-class submarine taken at an Iranian port around 2007, according to the sources. The photos were given for the investigation into the sinking of the Cheonan. (Makino Yoshihiro, “North Korea Supplied Submarines to Iran,” Asahi Shimbun, June 11, 2010)

North Korean vessels have been ordered to leave South Korean waters on 20 occasions since the South banned the passage of the North’s commercial vessels in late May in retaliation for a deadly attack on a southern warship, Defense Minister Kim Tae-young said in a parliamentary session. The 20 expulsion orders involving 11 North Korean vessels were issued until yesterday after President Lee Myung-bak announced on May 24 a decision to suspend trade with North Korea and ban passage of North Korean ships into South Korean waters. Kim told lawmakers that there was "no major trouble" in turning away the North Korean ships, according to Yonhap. (Korea Herald, “11 N. Korean Ships Expelled from South’s Waters Since Passage Ban,” June 11, 2010)

The Board of Audit and Inspection on Thursday said there is no very good reason to believe that the Sokcho, the nearest warship to the scene of the sinking of the ill-fated corvette Cheonan, fired at a flock of birds rather than a submarine on the day the Cheonan sank in the West Sea. The military said the Sokcho had initially thought its target was a North Korean submarine fleeing after attacking the Cheonan and fired 135 shots with 76-mm cannon. However, the military claimed close investigation of the radar tracking device revealed that the shape sailors saw was a flock of birds. The BAI's assessment is apparently based on testimony of sailors that the Second Naval Command ordered them to change their stories. The Sokcho initially reported to the
Second Naval Command that sailors saw what appeared to be a new type of North Korean submarine, but the command ordered officers to change their testimony to a flock of birds in a briefing to the Joint Chiefs of Staff on March 27. He added the board believes the command acted out of fear of punishment over failing to take proper action in the initial stages after the sinking. (Chosun Ilbo, “Watchdog Sees No Merit in ‘Flock of Birds’ Story,” June 11, 2010)

Bermudez: “Recent changes during 2009-2010—the most dramatic reorganization in years—seem to have been implemented to unify all the intelligence and internal security services directly under the National Defense Commission (NDC) and to secure the position of Kim Jong-il’s son, Kim Jong-un, as his successor. Prior to 2009, the organization of the community originated with Kim Jong-il and proceeded down through three channels—the National Defense Commission, Korean Workers’ Party (KWP) and the Cabinet. Subordinate to the National Defense Commission were the Ministry of People’s Armed Forces and State Security Department. The Reconnaissance Bureau, Security Command and Guard Command were subordinate to the Ministry of People’s Armed Forces. The Korean Workers’ Party’ Secretariat was in charge of the Operations Department, Bureau No. 35, the Unification Front Department and the External Liaison Department while the Cabinet exercised nominal control over the Ministry of People’s Security. …Following the reorganization in 2009, the NDC was expanded from eight to twelve members with five now controlling the entire community including the Ministry of People’s Security that was transferred from the Cabinet. Additionally, press reports indicate that changes occurred within those organizations tasked with foreign intelligence operations, including those handling the Republic of Korea (ROK). Specifically, the Ministry of People’s Armed Forces’ Reconnaissance Bureau was merged into the Reconnaissance General Bureau (RGB). While this organization remains institutionally subordinate to the Ministry of People’s Armed Forces, it apparently reports directly to NDC Vice Chairman General O Kuk-ryol, a trusted follower of Kim Jong-il who has played a pivotal role in anti-ROK intelligence operations since at least 1989 when he was appointed director of the Operations Department. The consolidation of responsibilities under General O Kuk-ryol suggests the North may be adopting an active policy against South Korea that may include more provocative operations in the future. The attempted assassination of former KWP Secretary Hwang Jang-yop by two Reconnaissance General Bureau operatives (Kim Yong-ho and Dong Myong-gwan) and the sinking of the South Korean Navy corvette Cheonan by what is believed to be a Reconnaissance General Bureau YEONO-class midget submarine could be the first visible indications of such a change. Noteworthy is that at the 3rd Plenum of the 12th Supreme People’s Assembly held on June 7, 2010, Jang Song-taek, the director of the KWP’s Administration Department, was appointed to Vice Chairman of the NDC. In his position as director of the Administration Department, both the State Security Department and Ministry of People’s Security reported directly to him. Jang’s appointment means that all foreign intelligence (including anti-ROK operations) and internal security organizations are under the control of two of the four Vice Chairmen of the NDC—General O Kuk-ryol and Jang Song-taek respectively—thereby consolidating all these powerful agencies one level immediately below Kim Chong-il. …The First Bureau was established from the former KWP Operations Department. The details concerning the changes within
the Operations Department that accompanied its 2009 integration into the
Reconnaissance General Bureau are unclear, although it appears that the department
was simply transferred with some minor personnel adjustments. The First Bureau is
responsible for basic and advanced training of intelligence agents, escort training and
escort operations (which facilitate covert infiltration of agents throughout the world).
... The Seaborne Escort Units, headquartered in Haeju, Namp'o, Wonsan and
Ch'ongjin, have specific geographic areas of responsibility: Ch'ongjin, operations
against Japan; Wonsan, operations along the peninsula's east coast down to Pusan;
Namp'o, operations along the southern coast including Chejudo and Pusan; and
Haeju, operations along the west coast. These units are responsible for the seaborne
transportation and insertion of intelligence operatives into the South and Japan. The
unit based in Wonsan operates a number of specialized infiltration vessels, semi-
submersible infiltration landing craft and YUGO-class midget submarines.11 In the
past this unit maintained a training base on the island of Hwang't'o-do in Yonghung-
man (the bay outside the east coast port city of Wonsan). Infiltration teams receive
advanced and mission specific training at this base.13 According to defectors the
Ch'ongjin unit has been assigned approximately twelve infiltration vessels (a.k.a.
“mother” ships). These infiltration vessels are specially designed high-speed craft
disguised to look like ordinary fishing boats. Their mission is to transport infiltration
to points off the coasts of South Korea or Japan. ... The First Bureau has also
been involved in kidnapping operations throughout the world intended to secure
persons to serve as language and cultural instructors for North Korean operatives and
to allow previously trained agents to assume the victim's identity. These latter
operations have generally occurred in Asia, particularly Japan. ... Finally, the
department has mounted a wide range of illegal operations throughout the world
including: counterfeiting and money laundering, manufacturing and selling of
narcotics and the smuggling and sales of luxury goods and weapons. In doing so, it
gained access to large quantities of foreign currency. These responsibilities and
operations will probably continue, now under the control of the RGB. ... The Second
Bureau (the former Reconnaissance Bureau) is organized into: Headquarters, Political
Department, Intelligence Department, Special Department, Training/Plans
Department, Maritime Department (a.k.a. Special Seaborne Operations Unit), three
Sniper Brigades and five Reconnaissance Battalions. Additionally, the Reconnaissance
Bureau operates a number of trading companies and industries both as “covers” and
to generate foreign currency. ... The Maritime Department, believed to be located in
Wonsan, is responsible for infiltrating agents and special operations personnel by sea
using specialized submarines, infiltration vessels, semi-submersible landing craft, and
swimmer delivery vehicles. The Department seems to have three operational bases,
each consisting of a small number of units or combat squadrons (battle groups).16 It
operates YUGO-class and YEONO-class midget submarines, SANG-O-class coastal
submarines and a variety of infiltration vessels, semi-submersible infiltration landing
craft and support ships. These are apparently organized into separate squadrons by
type.17 It is presently unclear how the changing inventory of midget and coastal
submarines has effected the organization of the Maritime Department's subordinate
units. ... The Reconnaissance Bureau's three Sniper Brigades are North Korea's most
elite special operations forces. They have the capability, training and equipment to
execute a wide range of reconnaissance and special operations missions in South
Korea, the region and globally. Each sniper brigade appears to consist of 3,300-4,600 personnel depending on the number of subordinate sniper battalions. ...The Reconnaissance Bureau has been responsible for numerous anti-ROK operations over the years including: the January 1968 attempt to assassinate ROK President Park Chung-hui at the presidential Blue House residence in Seoul; the October 1983 Rangoon bombing—an attempt to assassinate ROK President Chun Tu-hwan in which 21 people were killed including four Cabinet ministers; the failed 1996 attempt to infiltrate the South at Kangnung during which a SANG-O-class coastal submarine was captured; the 2010 attempt to assassinate former KWP Secretary Hwang Jang-yop in Seoul; and most recently it is believed that a Reconnaissance Bureau YEONO-class midget submarine sank the ROK Navy corvette Cheonan. Personnel from the Reconnaissance Bureau have also played a crucial role in the North’s foreign military assistance program. This includes the provision of military training to foreign governments, revolutionary organizations and terrorist groups; foreign internal security and defense operations; and arms transfers. ...The Third Bureau is based on the former KWP Office No. 35. Responsible for the collection of foreign intelligence and the conduct of overseas operations, it is organized into a headquarters and six primary sections: Chosen Soren; Japan; Americas; Europe; Africa and Asia; and South Korea. Up until the 1990s the Third Bureau is known to have had field offices in major cities including Moscow, Beijing, Berlin, Tokyo, Guangzhou, Macao, Singapore, and Hong Kong. The Fifth Bureau is believed to be responsible for gathering intelligence on inter-Korean affairs from, for example, defectors, conferences, and family reunions. It is probably involved in anti-ROK psychological warfare, propaganda and agitation operations. Established from the former Technical/Radio Department, the Sixth Bureau works with the General Staff Department’s Electronic Warfare Bureau and is, believed to exercise overall responsibility for signals intelligence (SIGINT), electronic warfare (EW) and information warfare operations within the Ministry of People’s Armed Forces. ...The Seventh Bureau, possibly known as the Rear Services or General Bureau, reportedly provides logistical and administrative support for the other bureaus. As such, it exercises overall responsibility for planning, budget compilation and procurement and distribution of materials for the RGB and its subordinate entities. (Joseph S. Bermudez Jr., “A New Emphasis on Operations against South Korea,” 38 North, U.S.-Korea Institute at SAIS, Johns Hopkins University, June 11, 2010)

North Korea vowed to launch an all-out attack against South Korean loudspeakers and other propaganda facilities along their heavily fortified border, warning it could even turn Seoul into a "sea of flame." The rival Koreas ended decades of propaganda campaigns in 2004 as their relations warmed. However, South Korea resumed radio broadcasts to North Korea last month and installed a dozen propaganda loudspeakers along the border to punish the North for allegedly sinking a South Korean warship. South Korean Defense Minister Kim Tae-young told a parliamentary hearing yesterday that loudspeaker broadcasts would begin after the U.N. Security Council decides on any new measures against the North, Yonhap reported. In Washington, State Department spokesman P.J. Crowley appeared skeptical of the North’s position. "If North Korea wants to investigate the sinking of the Cheonan, as it indicated it might, it might start by taking an inventory of its torpedoes," Crowley said yesterday, according
A report from a U.N. panel that monitors compliance with sanctions on North Korea showed more than 100 countries may not be doing enough to implement the punitive steps. The latest report to the U.N. Security Council from the Panel of Experts on North Korea, obtained by Reuters, said 111 of the 192 U.N. member states -- mostly developing nations -- had not submitted reports on their implementation of the council’s two sanctions resolutions against North Korea. Those resolutions, adopted in 2006 and 2009 in response to Pyongyang’s two nuclear tests, restricted arms deals, banned trade in technology usable in nuclear and other weapons of mass destruction, called for travel bans and asset freezes and banned North Korean imports of luxury goods. Some 30 countries submitted reports on their implementation of the first sanctions resolution, number 1718, but not the second, number 1874. “Basically what this tells us is there’s a lot more work that needs to be done to implement the DPRK sanctions,” a Security Council diplomat told Reuters. Another envoy agreed. “Often developing countries simply don’t have the resources to implement the sanctions properly,” he said, adding this created potential weak spots and openings for countries like North Korea, Iran and others to skirt U.N. sanctions. U.S. State Department spokesman Mark Toner said the sanctions have been successful, as shown by several seizures of banned goods Pyongyang attempted to transfer to other states. “As with any sanctions regime, we can improve implementation and the panel’s report offers some strong and useful recommendations to strengthen the sanctions regime,” Toner said. (Louis Charbonneau, “U.N. Report Raises Concerns about North Korea Sanctions,” Reuters, June 15, 2010)

PM Kan’s maiden speech: “Japan is a maritime nation bordering the Pacific Ocean and is at the same time an Asian nation. I will conduct Japan’s foreign policy with this duality in mind. In concrete terms, the Japan-US alliance will be the cornerstone of our diplomacy while at the same time I will reinforce our partnerships with Asian countries. The Japan-US alliance can be said to be an internationally shared asset, in that it supports not only the defence of Japan but also the stability and prosperity of Asia and the Pacific region. I will continue to deepen our alliance steadily. With respect to our neighbouring countries, which are mostly in Asia, we will strengthen our relations with them in various fields such as the political, economic and cultural spheres, and in the future we shall seek to bring about an East Asian community. With China, we shall deepen our mutually beneficial relationship based on common strategic interests, while with the Republic of Korea we shall forge a future-oriented partnership. In Japan-Russia relations we will advance relations by treating politics and economics as two wheels on the same axle, and in this context work vigorously in order to resolve the issue of the Northern Territories, the biggest outstanding issue in Japan-Russia relations, and thereby conclude a peace treaty. … Concerning North Korea, the incident concerning the sinking of the Republic of Korea patrol vessel cannot be condoned. It is necessary to support the ROK in every way and to deal with the incident resolutely as the entire international community. Japan seeks to normalise relations with North Korea, through a comprehensive resolution of the outstanding issues of concern with North Korea including the abduction, nuclear and missile issues and a
settlement of the “unfortunate past.” With regard to the abduction issue, we will do our utmost as a matter of the government's responsibility in order to bring all the victims back to Japan as soon as possible. Japan is working for a peaceful and diplomatic resolution with Iran, which continues to violate United Nations Security Council resolutions [concerning its nuclear program]. (The Nelson Report, June 14, 2010)

A muddled U.S. strategy on confronting North Korea's nuclear ambitions could lead to acceptance of the North as an atomic power, according to a report being released by a leading American think tank. The Council on Foreign Relations report calls the Obama administration's efforts to rid North Korea of its nuclear weapons programs vague and halfhearted. Several U.S. envoys divide responsibilities for pressuring the North on nuclear negotiations, human rights and sanctions enforcement, the report says, “with no clear evidence that these discreet missions are backed by a sense of urgency or priority at senior levels in the administration.” The State Department didn’t immediately respond to a request for comment. The report’s chairs were John Tilelli Jr., commander of U.S. forces in Korea during the Clinton administration, and Charles "Jack" Pritchard, a special envoy for negotiations with North Korea early in the George W. Bush administration and an adviser on Asia in the Clinton administration. The report contrasts the strong words the Obama administration aims at the North with what it calls "halfhearted" U.S. actions to deal with the nuclear standoff. (Foster Klug, “U.S. Policy on N. Korean Nukes Halfhearted,” Associated Press, June 15, 2010)

CFR Task Force: “Despite the strong words, the Obama administration's actions to date suggest that the objective of rollback of North Korea's nuclear program is halfhearted. The time frame for achieving denuclearization is so vague that there is a significant risk that “strategic patience” will result in acquiescence to North Korea's nuclear status as a fait accompli. Responsibility within the administration for implementation of policy toward North Korea has been divided under several envoys into different baskets—negotiations, sanctions implementation, and human rights—with no clear evidence that these discrete missions are backed by a sense of urgency or priority at senior levels in the administration. The Task Force finds that the Obama administration’s current approach does not go far enough in developing a strategy to counter North Korea’s continuing nuclear development or potential for proliferation. …A “manage and contain” approach focuses on risk reduction first, while waiting for circumstances conducive to North Korea’s eventual denuclearization. It prioritizes “three nos” as primary immediate objectives in dealing with North Korea: no export of nuclear technologies, no more bombs, and no “better” bombs. …The Task Force finds that though containment is essential to U.S. counterproliferation objectives, such a strategy by itself is insufficient. It risks the likelihood that, over time, the overall security situation will deteriorate as North Korea continues to secretly make progress in its missile development and nascent nuclear capability. The manage and contain approach may also lead to the perception that the United States is interested only in counterproliferation, leading eventually to acquiescence rather than denuclearization, regardless of administration assertions to the contrary. The Task Force considers that manage and contain, as evidenced by the current approach, may be a useful interim strategy, but does not resolve the larger problem and must ultimately be coupled with
continued efforts to denuclearize. ... A third option would be to immediately and consistently press for North Korea’s return to the path of denuclearization. This approach would involve a stepped-up combination of sanctions and incentives designed to make North Korea abandon its nuclear programs. There would be constant political pressure by the international community on North Korea—including the ratcheting up of the international sanctions regime—to limit its alternatives to negotiation. In return for cooperation, North Korea would receive political and economic benefits, such as development and energy assistance, through implementation of the September 2005 Six Party Joint Statement. Conversely, its failure to cooperate would result in enforced sanctions and other penalties. ... If North Korea returns to the Six Party Talks and resumes implementation of its denuclearization commitments, the other parties would have to also meet their own obligations under the agreement. North Korean officials complained that the other parties were dragging their feet in providing the economic assistance promised under the implementing agreement of February 13, 2007, thereby providing a pretext for North Korea to avoid its own obligations. ... North Korea’s leadership has spent decades pursuing nuclear weapons as the silver bullet to assure sovereignty, respect, and deterrence of external powers. It is unlikely to voluntarily give up this pursuit without a combination of political and economic inducements, which may come in the form of energy and economic development assistance. For this reason, it will be essential for the U.S. administration to outline concrete benefits that North Korea would gain from denuclearization. South Korean president Lee Myung-bak has proposed a massive development commitment to North Korea if it abandons its nuclear weapons and opens to the outside world. But North Korean leaders would be more likely to view such a proposal as credible if the United States also offered to develop a new relationship with the North. ... To counter North Korea’s provocations, the United States has historically emphasized the employment of sanctions against North Korea to isolate it from the international community. However, by reinforcing its isolation, continuation of a comprehensive sanctions regime against North Korea may ironically strengthen the regime’s capacity to maintain political control. For this reason, the Obama administration should consider an array of engagement initiatives along with the UN sanctions that have been targeted at North Korea’s nuclear and missile programs. Expanding the exposure of individual North Koreans to the outside world may eventually result in internally driven regime transformation, a result that the United States and North Korea’s neighbors would welcome and support. Engagement may also lead to a greater understanding of North Korea’s infamously opaque decision-making processes and increase levels of trust in the region, while constraining North Korea from pursuing rash actions. ... The Task Force believes that the Obama administration should deal with North Korea’s policy challenges in the following order: 

- Prevent horizontal proliferation. North Korea’s nuclear weapons program poses a serious horizontal proliferation threat, as evidenced by its documented exports to Libya and to Syria and by the potential of nuclear exports to or cooperation with Iran. The United States must also be concerned that a failing regime or new leadership in North Korea might sell fissile material to the highest bidder, and about a situation in which control of its stockpile of fissile material could be
jeopardized. North Korean horizontal proliferation would potentially result in a direct threat to U.S. national security and regional stability.

- **Stop vertical proliferation.** North Korea’s continued vertical proliferation efforts, including the conduct of additional long-range missile or nuclear tests, will eventually allow it to acquire the ability to deliver a nuclear weapon on its missiles and hold Japan and some U.S. assets at risk. It could also potentially lead to a response expansion of nuclear weapons states in northeast Asia.

- **Denuclearize.** North Korea’s bid for nuclear weapons status poses a challenge to the global nuclear nonproliferation regime and sets a worrisome precedent for other states that might consider challenging the regime.

- **Plan for contingencies.** Potential North Korean instability, including the possibility of refugee flows, loss of regime control over nuclear weapons or fissile material, and prolonged internal chaos, would have a negative influence on regional stability and affect the dynamics of interstate relations in Northeast Asia.

- **Promote engagement.** North Korea’s isolation sustains the political control of the current leadership, whereas exposure to the outside world could eventually lead to regime transformation. Expanded educational exchanges and broadened access to information about the outside world will increase the likelihood that the North Korean people will see beyond the lies iterated by their leaders and insist on North Korea’s integration with the rest of the world.

- **Improve the situation for the North Korean people.** North Korea’s shameful human rights situation and failure to meet the needs of its people is a human tragedy that should be addressed by U.S. humanitarian assistance and other measures to improve human rights conditions inside North Korea. (Council on Foreign Relations Task Force, *U.S. Policy Toward the Korea Peninsula*, Charles L. Prtichard and John H. Tilelli, Jr., chairs, Scott A. Snyder, Project Director)

South Korea’s navy announced it would re-enact a Korean War sea battle for two days from June 24 off the southern port city of Busan to mark the anniversary of the conflict’s outbreak, as tensions remained high 60 years later. It will involve about 10 ships, including a 14,000-ton landing ship and a 4,500-ton destroyer, as well as two submarines, a maritime patrol aircraft and helicopters, Yonhap news agency quoted navy officials as saying. (AFP, “S. Korea to Re-Enact Naval Battle amid Tensions,” June 15, 2010)

The Security Council held the first round of informal discussions related to the sinking of the Cheonan after it received a briefing by a multinational team of investigators led by South Korea yesterday, diplomatic sources said today. “This means that the discussion process has begun,” said one source on the condition of anonymity. He said
that additional informal discussions would likely follow. (Kim Ji-hyun, “U.N. Starts Discussions on Cheonan Sinking,” Korea Herald, June 15, 2010) The civic group People’s Solidarity for Participatory Democracy e-mailed the UN Security Council on June 11 raising doubts over the inquiry into the sinking of the Navy corvette Cheonan. It claimed further investigation is “necessary.” The leftwing group sent the e-mail three days before a group of South Korean experts briefed UNSC members yesterday on their conclusion that North Korea sank the warship. “It’s like getting shot in the back by our own side as we try to gather international support,” said one government official. (Chosun Ilbo, “Activists Urge UNSC to Reinvestigate Cheonan;,” June 15, 2010) Seoul’s prime minister on June 17 called the move by a local civic group questioning the U.N. over investigations into the recent sinking of a naval warship “an act against the nation,” forewarning punishments against the largest left-leaning group here. The People’s Solidarity for Participatory Democracy, joined by nearly 15,000 members, sent a letter to the U.N. Security Council earlier this month, claiming the probe results by the Seoul government lacked evidence to say for certain North Korea torpedoed the vessel which sank near the tense sea border with Pyongyang on March 26. “Sending such a letter driven by groundless suspicions toward the government will harm national interests,” Prime Minister Chung Un-chan told a parliamentary interpellation session June 17. “I am highly concerned that such a move will undermine our diplomatic capacities.” (Shin Hae-in, “Chung Blasts Grouo for Cheonan Letter,” Korea Herald, June 17, 2010) When asked why the torpedo recovered from the scene perfectly matched a North Korean torpedo exported to other countries, Sin became evasive. “The scene of the incident is inside a disputed area following the ceasefire agreement between [North Korea] and the U.S., while South Korea and the U.S. were conducting military exercises there when the incident happened,” he said. “Everything will be clear when our investigators probe the scene.” A Japanese journalist said most UN Security Council members supported the evidence South Korea presented the day before, but Sin said, “If South Korea’s failed attempt to put a satellite into space is blamed on a North Korean torpedo, would you believe it?” Sin said he has yet to read a letter sent to the UN Security Council by a South Korean civic group raising suspicions about the South Korean evidence, but added that it showed how skeptical even South Koreans are about the accusation. (Chosun Ilbo, “N. Korea ‘A Victim of Conspiracy,’” June 17, 2010) “I wonder which country these people belong to,” said Prime Minister Chung Un-chan at the National Assembly in regards to PSPD members. “We will discuss countermeasures at the government level.” (Gwok Byeong-chan, “Which Country Do You Belong to?” Hankyore, June 17, 2010)

South Korea will not engage in any serious dialogue with North Korea unless the communist nation first abandons its provocative behavior, Prime Minister Chung Un-chan said, as Seoul pushes to censure Pyongyang at the U.N. Security Council for sinking one of its warships. “The government is not against the South-North dialogue itself, but I believe any dialogue will be possible only when certain conditions are met, such as a clear change in North Korea’s position on the sinking of the ship Cheonan,” Chung told the National Assembly. (Yonhap, “Seoul Will Not open Inter-Korean Dialogue unless Pyongyang Changes: Prime Minister,” June 15, 2010)
South Korea and the U.S. are expected to defer talks on revising a 1974 nuclear energy agreement, previously scheduled to begin within the first half of this year, to after September, a senior diplomatic source here said. “Talks on revision of the atomic deal will start in the second half of this year as an urgent pending issue came into the limelight,” the source said. “The talks are expected to take place after September.” He added that Seoul and Washington were undergoing a joint feasibility study on Korea’s pyroprocessing technology and they have not reached a conclusion yet. (Kim So-hyun, “U.S., S. Korea to Delay Talks on Revision of Atomic Pact,” Korea Herald, June 15, 2010)

North Korea’s ambassador to the United Nations said Tuesday that his country’s military would respond forcefully to any Security Council condemnation over the sinking of a South Korean warship, warning that “our people and army will smash our aggressors.” In a rare news conference, the envoy, Sin Son-ho, called the South Korean investigation carried out with a number of foreign experts, which concluded that a North Korean torpedo blew up the ship, “a complete fabrication from A to Z.” Sin demanded that a team from his country’s military be allowed to carry out its own investigation on the site where the ship, known as the Cheonan, exploded on March 26, killing 46 sailors. “If the Security Council releases any documents against us condemning or questioning us, then myself, as diplomat, I can do nothing,” Sin said, “but the follow-up measures will be carried out by our military forces.” Although North Korea’s motivations for its actions are often opaque, Sin gave one remarkably candid answer when asked about the potential fallout from Security Council condemnation. “I lose my job,” he said. (Neil MacFarquhar, “North Korea Warns against U.N. Response to Ship’s Sinking; Calls Inquiry Made up” New York Times, June 16, 2010, p. A-8)

President Barack Obama said he has extended U.S. sanctions on North Korea under two domestic laws for another year, citing the continued threat of nuclear proliferation by the communist state, according to Yonhap. “I have sent to the Federal Register for publication the enclosed notice stating that the national emergency declared in Executive Order 13466 of June 26, 2008, is to continue in effect beyond June 26, 2010,” Obama said in a statement. “The existence and the risk of proliferation of weapons-useable fissile material on the Korean Peninsula constitute a continuing unusual and extraordinary threat to the national security and foreign policy of the United States,” Obama said. “For this reason, I have determined that it is necessary to continue the national emergency and maintain certain restrictions with respect to North Korea and North Korean nationals.” (Korea Herald, “Obama Extends U.S. Sanctions on North Korea,” June 16, 2010)

North Korea and China have reportedly agreed to form a management committee to jointly develop the Hwanggeum Plain of the North Korean cities of Nason and Shinuiju. As inter-Korean relations head toward a crisis situation due to the sinking of the Cheonan, China and North Korea have pushed economic cooperation at a fast pace. The two countries agreed upon economic cooperation during North Korean leader Kim Jong-il’s visit to China in May. A North Korea-related source with knowledge of the discussions that wished to remain anonymous said that a party led by North Korea’s vice minister of trade visited Beijing last week. The party agreed to form a joint development management committee to jointly develop with China the Hwanggeum
Plain of Nason (Najin-Sonbong) and Shinuiju. He said that the two officials in charge would be the North Korean vice minister of trade and the Chinese vice minister of commerce. The source also said that North Korea and China plan to rapidly push the development of Nason and Shinuiju based on the joint committee that runs Kaesong. One diplomatic source in Beijing said despite the Cheonan incident, North Korean and Chinese officials are visiting one another's countries to hold concentrated discussions on economic cooperation. He said it appears, with North Korea in a situation in which it has no choice but to depend on China, that the matters agreed upon during Kim Jong-il's visit to China are being pushed quickly. Meanwhile, an official delegation from China's Jilin Province, led by Vice Governor Chen Weigen, visited Pyongyang on June 15 and met with new Deputy Prime Minister Ri Tae-nam to explain matters pertaining to the development of China's Changchun-Jilin-Tumen River Valley region and exchange views on the matters agreed upon by the two nations' leaders during Kim Jong-il's visit. A forty-member North Korean Workers Party delegation, led by Minister of Land and Environmental Protection Kim Chang-ryong, is also currently on visit to China. Chinese state-run media reported that they visited the Binhai New Area region of Tianjin, a city visited by Kim Jong-il during his trip to China. (Hankyore, “N. Korea and China to Jointly Develop Two N. Korean Cities,” June 17, 2010)

A senior U.S. official rejected the observation that South Korea is backing off from its position on the Cheonan incident at the U.N. Security Council. Kurt Campbell, U.S. assistant secretary of state for East Asian and Pacific affairs, said, "The most important message from President Obama to Seoul and the people of Korea is that 60 years after the start of the Korean War, the United States is standing closer than ever with South Korea." The U.S. official also said he and South Korean foreign ministry officials discussed ways of making the alliance even stronger on the occasion of the 60th anniversary of the outbreak of the 1950-53 Korean War. Campbell called the current situation on the Korean Peninsula "an absolutely critical period," saying it was a defining moment for the ROK-U.S. alliance. During a two-day stay, Campbell met with Foreign Minister Yu Myung-hwan; Chun Yung-woo, second vice foreign minister; and Wi Sung-lac, the top envoy to the six-party talks on North Korea's nuclear program. Campbell stressed that the ROK-U.S. alliance is stronger, deeper and more profound not just on the Korean Peninsula but also globally than it has ever been before. "The U.S. and South Korea are completely aligned in our mutual approach, in our bilateral actions we have worked closely on in appropriate and responsible joint military activities, and in other national ways and specific steps," he said. (Kang Hyun-kyung, “Campbell Says Korea, U.S. Firm on Cheonan,” Korea Times, June 17, 2010)

A former Indonesian justice minister and attorney general, Marzuki Darusman, will succeed Vitit Muntarbhorn as the next U.N. special rapporteur on North Korean human rights, diplomatic sources said. The term of the U.N. rapporteur is one year, but Muntarbhorn served consecutive extended terms since he was first named in 2004. (Kim So-hyun, “Indonesian Chosen as U.N. Envoy on N.K. Human Rights,” Korea Herald, June 17, 2010)
South Korea’s new Army chief of staff, Gen. Hwang Eui-don told reporters, “North Korea is not showing any direct moves for provocations, but when we look at its past pattern of behaviors, there are fair chances of provocations and that's why we raised" the military alertness. Gen. Han Min-koo, former Army chief of staff, was promoted to the post of JCS chairman and Hwang was named to succeed Han. (Yonhap, “S. Korea’s New Army Chief Says N. Korean Provocations ‘Fairly’ Likely,” June 17, 2010)

The Obama administration is considering going after the assets of North Korean entities and individuals to punish Pyongyang after the sinking of a South Korean warship, sources familiar with the matter said. While there have been extensive U.S. sanctions on Pyongyang for decades, such a move could influence North Korea because it would hit accounts controlled by military and political leaders whom U.S. officials believe must have authorized the attack. Speaking on condition that they not be identified, the sources said targeting North Korea's illicit funds appeared to be one of the few ways the United States can get the attention of the leadership of the impoverished communist state. They also said there is a growing view within the Obama administration that former President George W. Bush’s 2005 move to blacklist a Macau bank for allegedly laundering North Korean money was ultimately useful in pressuring Pyongyang. “We are facing an imperative to demonstrate once again to North Korea that there is no reward for its provocative behavior, that in fact there is going to be a penalty,” the official said. “We have all the authority that we need to tighten the screws on specific individuals or institutions that support the leadership.” Alan Romberg, an analyst with the Henry L. Stimson Center think tank, said it made sense to add a punitive element in dealing with North Korea but that this had to be reversible. “One of the negotiating lessons that has to be taken from BDA is that people have to be sure that when they put something into effect, they can also remove it,” Romberg added. “BDA was a very difficult thing to get out of.” (Arshad Mohammed, “U.S. Mulls N. Korea Financial Sanctions after Sinking,” Reuters, June 18, 2010)

The Obama administration has attempted to apply a strategy dubbed “pragmatic engagement.” As it works to rethink its position amid the present cacophony of foreign and domestic crises, there is a danger that Washington might give Burma short shrift and unwittingly soften its stance toward the country’s military leaders. It should be careful not do so. And it should take the junta’s nuclear-weapons ambitions seriously. The regime in Burma has a history of deceiving American officials. I know; before defecting to the United States in 2005, I was a senior intelligence officer for the war office in Burma. I was also the deputy chief of mission at Burma’s embassy in Washington. In the autumn of 2003, a senior staff member for a U.S. senator came twice to our embassy in Washington to call on Ambassador U Lin Myaing and me. At about the same time, officials from the U.S. State Department and the National Security Council also met in New York with U Tin Win, from the office of Burma’s prime minister, and Colonel Hla Min, the government’s spokesman. The American officials were checking reports that Burma had secretly renewed ties with North Korea – one of the three pillars of George W. Bush’s “axis of evil.” Burma had severed ties with North Korea in 1983, after North Korean operatives attempted to assassinate South Korea’s president, Chun Doo Hwan, during a state visit to Rangoon. Chun was unhurt, but 17
senior South Korean officials — including the deputy prime minister and the foreign and commerce ministers — were killed. The head of Burma’s junta, Senior General Than Shwe, instructed us to lie to the Americans. We did. We blamed Burma’s political opposition for the “rumors” that Rangoon had renewed ties with Pyongyang. The Americans wanted proof. Than Shwe then ordered Foreign Minister U Win Aung to send a letter denying the reports to Secretary of State Colin Powell. The British government knew the truth. London’s ambassador to Rangoon rightfully called U Win Aung a liar. Why did Burma renew ties with North Korea? Regime preservation. In the aftermath of the 1988 nationwide uprising in Burma, many foreign joint ventures for the production of conventional weapons were cancelled. Than Shwe began the secret re-engagement with North Korea in 1992, soon after he took control of Burma’s ruling clique. He argued that Burma faced potential attack from the United States and India, which at the time was a champion of Burma’s democracy movement. He wanted a bigger army. He wanted more modern weapons. He even wanted nuclear arms. He cared not at all for the poverty of Burma’s people. Than Shwe secretly made contact with Pyongyang. Posing as South Korean businessmen, North Korean weapons experts began arriving in Burma. I remember these visitors. They were given special treatment at the Rangoon airport. With a huge revenue bonanza from sales of natural gas to Thailand, Burma was soon able to pay the North Koreans cash for missile technology. The generals thought that they could also obtain nuclear warheads and that, once these warheads were mounted on the missiles, the United States and other powerful countries would not dare to attack Burma and have much less leverage on the junta. Than Shwe hid these links with North Korea as long as he could from Japan and South Korea, because he was working to lure Japanese and South Korean companies to invest more in efforts to plunder Burma’s natural resources. By 2006, the junta’s generals felt either desperate or confident enough to publicly resume diplomatic relations with North Korea. Burma has worked for almost a decade to expand its production of missiles and chemical warheads. General Tin Aye — chairman of the Union of Myanmar Economic Holdings, the military’s business arm — is the top manager of ordnance production and main liaison with North Korea. According to a secret report leaked last year, the regime’s No. 3 man, General Shwe Mann, also made a secret visit to Pyongyang in November 2008. He signed an agreement for military cooperation that would bring help from North Korea for constructing tunnels and caves for hiding missiles, aircraft, even ships. That this information was leaked by Burmese military officials working on such sensitive activities shows both the degree of Than Shwe’s military megalomania and the existence of opposition within the regime itself. The words “pragmatic engagement” should not become synonymous with any weakening of Washington’s firm opposition to Burma’s rulers. (Aung Lynn Hut, former senior intelligence officer in Burma’s Ministry of Defense, “The Burma-North Korea Axis,” International Herald Tribune, June 18, 2010)

South Korea and the United States have agreed to stage joint naval exercises later this month in the West Sea, an official at the Ministry of National Defense said. “We’ve decided to stage joint naval drills in the final week of this month,” the official said. “U.S. warships belonging to the U.S. 7th Fleet, including an aircraft carrier, will join the drills as planned before.” (Jung Sung-ki, “Korea-U.S. Naval Drills to Begin in Late June,” Korea Times, June 18, 2010)
Bowing to reality, the North Korean government has lifted all restrictions on private markets -- a last-resort option for a leadership desperate to prevent its people from starving. In recent weeks, according to North Korea observers and defector groups with sources in the country, Kim Jong Il's government admitted its inability to solve the current food shortage and encouraged its people to rely on private markets for the purchase of goods. Though the policy reversal will not alter daily patterns -- North Koreans have depended on such markets for more than 15 years -- the latest order from Pyongyang abandons a key pillar of a central, planned economy. As of May 26, the government no longer forces markets to close at 6 or 7 p.m., has dropped the rule restricting customers to women older than 40 and has lifted a ban on certain goods being sold. An official in the city of Pyungsung informed the Good Friends that the living standard had “drastically decreased since the currency exchange, and the government cannot provide distribution so they have to bring the market back up.”


The Obama administration is wrestling over whether to send an aircraft carrier to take part in military exercises with South Korea in what would amount to a significant show of force after the deadly sinking of a South Korean warship in March. The back-and-forth over the USS George Washington reflects the precarious security situation in Northeast Asia after North Korea's sinking of the Cheonan on March 26. It underscores a huge issue facing U.S. and South Korean officials: how to stop North Korea, which is believed to possess nuclear weapons, from conducting conventional attacks such as the torpedoing of the Cheonan. Some within the administration are arguing that dispatching the 97,000-ton carrier to the Yellow Sea off the Korean Peninsula, where the Cheonan was sunk, could anger China or cause North Korea to react violently, according to officials involved in the discussions. Others say the United States needs to send a clear message to its allies and to North Korea and China that the United States is standing firmly behind the South. “It's a very tough call,” said Susan Shirk, a former State Department official and an expert on Asian security at the University of California at San Diego. “You don't want to be too proactive. But you need to send a clear message.” On Friday, the Korea Times repeated earlier reports that the George Washington was being sent, citing an unidentified official at the Ministry of Defense. A Pentagon spokesman said no decision had been made. "I think it's a question of the U.S. and South Korea working out what we want to do together and when we want to do it," said a senior administration official. And as for China, he said, "we'll make sure that they're not surprised." China’s state-run press has also reacted badly to reports that the United States was considering dispatching the aircraft carrier to the Yellow Sea. "Having a U.S. aircraft carrier participating in joint military drills off of China’s coast would certainly be a provocative action toward China," warned the Global Times, an English-language newspaper run by People’s Daily. Shirk and others said they back sending the aircraft battle group. "Our commitment to the region is always in question because we’re the outside power," Shirk said. Add to that the appearance that China’s economy has recovered quickly while unemployment is still high in the United States. "It just reinforces doubts about our ability to deliver," she said. "But it's dangerous," she acknowledged. "I would send it but not say anything about it. I wouldn't make some big muscular statement. I would just say, ‘This is normal.’" (John Pomfret, “U.S.

South Korea’s military faces a "desperately dangerous situation" after the sinking of a warship and must respond sternly to any future North Korean provocations, the new army chief said. "With a resolute determination, the military must put together all of its capabilities and resources to sternly deal with any provocations by North Korea," General Hwang Eui-Don said in his inauguration speech. (AFP, “South Korea Must Respond Sternly to North Korea Provocations, Says Army Chief,” June 20, 2010)

South Korea plans to become a core member of the 95-nation Proliferation Security Initiative (PSI) which allows signatories to stop ships suspected of carrying the arms or their delivery systems. "We have decided to join the Operational Experts Group (OEG)," an unnamed South Korean foreign ministry official told Yonhap, referring to PSI’s 20-member steering committee. (AFP, “S. Korea to Boost Role in Arms Trafficking Group,” June 19, 2010)

Hatoyama inwv: "Q: Did you not consider resolving the Futenma issue late last year by reverting to the 2006 agreement? A: It is a fact that there was a time when I thought about going back to the 2006 agreement. However, I also promised to move Futenma out of Okinawa, at the least. I could not very easily accept a move to Henoko. That was when the Tokunoshima proposal came up. We also heard indirect comments that some island officials were ready to accept hosting (the base) if it meant economic stimulation. It was then I decided to delay a Futenma decision so we could look at a wider range of options. Q: Was that decision made after realizing that a move to Tokunoshima had been previously considered by Japan and the United States? A: The proposal basically came from information provided by Lower House member Seishu Makino and others. We were not told it had been considered before. We did not consult bureaucrats in considering the proposal. We wanted to keep the idea secret. Our method may have been naive. In hindsight, we could have gathered information more openly and discussed why Tokunoshima was a viable option more calmly. Q: In the end, you returned to the Henoko proposal. A: The United States was strongly opposed to the Tokunoshima proposal. They said moving some Marines far away would reduce deterrence and affect other functions. We could not counter any arguments about the handling of the Marines. It finally came down to a choice between two options, so we could only think about Henoko because the environmental assessment report had been completed. Q: In your resignation speech, you said, "I do not believe it is good to continue a national security policy dependent on the United States for the next 50 to 100 years." A: I said that because I felt it was not desirable as a nation to depend on the United States for Japan’s defense for eternity. Of course, the Self-Defense Forces alone cannot defend Japan right now. We have to be grateful to the United States. However, we cannot depend on them forever. While we decided to relocate to Henoko, I also feel that we must continue to seek a path to move it out of Okinawa or Japan." (Yakushiji Katsuyuki, “Hatoyama Admits Money Flow Caused His Downfall,” *Asahi Shimbun*, June 19, 2010)
A rapid buildup of nuclear weapons by China and its apparent determination to restrict United States forces' access to the western Pacific is threatening to transform the balance of power in East Asia. Tensions in the region were demonstrated at a meeting of the foreign ministers of Japan, China and South Korea in Gyeongju in South Korea on May 15. Though the main topic of the meeting was the sinking of the South Korean corvette Cheonan, a testy exchange between the foreign ministers of Japan and China showed strategic concerns simmering below the surface. Japanese Foreign Minister Katsuya Okada told the Chinese representative, "Among the countries that possess nuclear weapons, only China is increasing its nuclear weapons." This angered Chinese Foreign Minister Yang Jiechi. Without turning on his microphone, he said, "There is nothing to justify being told such a thing by Japan, which is protected by the U.S. nuclear umbrella." He then started to leave his seat. New missiles include the Dong Feng 31A, an intercontinental ballistic missile with a range of 14,000 kilometers. The shorter range Dong Feng 21C missile has Japan well within its range and a new type of anti-ship ballistic missile can pursue vessels at supersonic speeds. China is also constructing underground bases for nuclear missiles in mountainous areas in Henan and Shanxi provinces, aimed at protecting them from preemptive strikes. The missile development is a vital part of an emerging "anti-access" theme in Chinese military strategy aimed at preventing U.S. aircraft carriers from advancing into sea areas near China in the case of a stand-off between the two countries over Taiwan. "If we place U.S. aircraft carriers and U.S. bases in Japan within the range of our missiles, the U.S. fleets will not be able to enter the western Pacific freely. As a result, we will make the Japan-U.S. Security Treaty ineffective," said a source close to China’s military. Submarines are another important pillar of the anti-access strategy. In recent years, China has developed state-of-the-art Song-class and Kilo-class submarines with quiet propulsion technologies that make them difficult to detect. In October 2006, a Chinese Song-class submarine surfaced about eight kilometers from the U.S. aircraft carrier Kitty Hawk near Okinawa Prefecture. The U.S. ship had been unaware of the Chinese submarine’s presence and was within the range of the Chinese submarine’s torpedoes. The Chinese navy flexed its muscles again in April this year, when a fleet of 10 vessels, including two Kilo-class submarines, passed between the main Okinawa island and Miyakojima island. A Chinese helicopter came within about 90 meters of a Japanese Maritime Self-Defense Force’s escort warship during the incident. The Chinese Defense Minister Liang Guanglie told a delegation of Japanese Self-Defense Forces’ officers in Beijing on June 11 that the passage was part of a training exercise and was not a violation of international law. "Though the Self-Defense Forces’ reconnaissance planes frequently come to (air space over) the Yellow Sea (between China and the Korean Peninsula), the Chinese military forces are not obstructing them. We hope that the Japanese side do not watch us too closely either," Liang said. However, a military source in Beijing said the maneuver had a more profound motivation: "The passage was made to demonstrate to Japan and the United States the improvement in China’s anti-access capabilities in the East China Sea." According to the Japanese Defense Ministry, Chinese destroyers have been detected near Miyakojima island and Okinotorishima island five times since 2008. One of the Japanese officers present at the meeting with Liang said, "We felt that China has established superiority and that Chinese naval power is already greater than Japan’s." When Chinese Premier Wen Jiabao met with then Japanese Prime Minister Yukio Hatoyama in Japan in late May, he
proposed re-establishing a hotline between the leaders. The hotline had not yet been set up and the Chinese side appeared to have gone cold on the idea. Japanese officials are pushing for greater cooperation with South Korea on security issues but the response from the South Korean side has often been unenthusiastic. There is a strong resistance in South Korea to establishing a military alliance with Japan because of the friction resulting from Japan's occupation of the Korean Peninsula. There is also concern about China's opposition to such an alliance. Nevertheless, there is an understanding among some in the South Korean military of the two country's common interests. A South Korean officer said, “An (military) alliance (between South Korea and Japan) may be impossible. But both countries always need to maintain high-level friendly relations.” At the same meeting, the two leaders agreed to improve other crisis management mechanisms to deal with confrontations at sea. (Asahi Shimbun, “China Seeks to Neutralize Japan-U.S. Security Treaty,” June 21, 2010)

6/22/10

Four elder statesmen of South Korea's political, diplomatic and defense communities issued a joint statement Tuesday calling for a world free of atomic weapons, including ending North Korea's nuclear ambitions. The statement from former Prime Minister Lee Hong-koo, former Foreign Minister Han Sung-joo, former parliamentary speaker Park Kwang-yong and legendary former Army general Paik Sun-yop is modeled after a similar 2007 statement from four senior U.S. statesmen -- Henry Kissinger, George Schultz, William Perry and Sam Nunn. (Chang Jae-soon, “Four S. Korean Elder Statesman Issue Statement Calling for World Free of Nuclear Weapons,” Yonhap, June 22, 2010)

6/23/10

Despite tension over the sinking of a South Korean warship, the number of North Korean workers at the two countries' joint industrial complex has reached the highest point since it opened in 2004, a government report said. The number stood at 44,000 as of June, 2,000 more than in January this year, the Unification Ministry said in a parliamentary report, adding that 121 South Korean firms are operating in the communist country's border town of Kaesong near the west coast. (Sam Kim, “N. Korean Workers Increase at Kaesong Despite Tensions: Report,” Yonhap, June 23, 2010)

South Korea is considering providing about 100 billion won (US$84 million) of rescue funds to hundreds of its companies hamstrung by a ban on cross-border trade with North Korea, a senior government official said. More than 500 companies had routinely shipped raw materials to North Korea for reprocessing before the ban, according to the Seoul government, with trade amounting to US$254 million last year. The companies have complained of financial losses since the ban came into effect because many of them were unable to send payments to the North and retrieve their products. Unification Minister Hyun In-taek said in a parliamentary hearing that South Korea is considering aiding the companies by offering a government loan of up to 60 billion won plus another 50 billion won from the ministry’s own Inter-Korean Cooperation Fund. “That’s approximately the amount being thought of,” he told a lawmaker who asked whether the government is mulling financial support of about 100 billion won. (Sam Kim, “N. Korean Workers Increase at Kaesong Despite Tensions: Report,” Yonhap, June 23, 2010)
South Korean and Japanese activists floated hundreds of thousands of leaflets by balloon toward the border with North Korea to condemn the country’s government amid tensions over the sinking of a South Korean warship. The leaflets criticized North Korea’s late founding father Kim Il Sung for starting the 1950-53 Korean War and blamed the current government led by his son, Kim Jong Il, for a botched currency reform and the downing of the warship, which killed 46 sailors. The groups originally planned to send 100 balloons carrying a total of 6 million leaflets, but less-than-ideal wind conditions at the launch site near the border reduced the total to nine balloons and 540,000 leaflets, organizers said. It was unclear whether the balloons would actually reach North Korea. They plan to send the rest later this week. “We’d like to punish the Kim Jong Il government by spreading the truth written on these leaflets,” said Seo Jung-gab, president of the National Action Campaign, one of the participating groups. Also among groups participating was the National Association for the Rescue of Japanese Kidnapped by North Korea, a group supporting the families of Japanese abducted by Pyongyang’s agents in the 1970s and ’80s. (Claire Lee, “S. Korea, Japan Activists Fly Leaflets toward N. Korea,” Associated Press, June 23, 2010)

KCNA: “The U.S. is escalating the campaign to put international pressure upon the DPRK while persistently antagonizing the DPRK over the “Cheonan” case. Such moves have gone beyond the tolerance limit. The DPRK had already solemnly declared that it would consider the prevailing situation as a war phase and handle all relevant issues according to a wartime law. An institution concerned is now examining the issue of what additional measure it will take against American Gomes in line with a wartime law. He is serving a prison term in the DPRK for the encroachment upon its sovereignty. The U.S. government is requesting the DPRK to leniently set him free from a humanitarian stand, but such thing can never happen under the prevailing situation and there remains only the issue of what harsher punishment will be meted out to him. If the U.S. persists in its hostile approach toward the DPRK, the latter will naturally be compelled to consider the issue of applying a wartime law to him.” (KCNA, “Application of Wartime Law to American Prisoner under Consideration,” June 25, 2010)

KCNA: “The Committee for Investigation into Damage Done by the U.S. to the Northern Half of Korea summed up all human and material damage brought by the U.S. imperialists to the northern half of Korea for the past six decades since they landed in south Korea on Sept. 8, 1945. The total damages amount to 64,959,854 million U.S. dollars. … At least 1,231,540 peaceful inhabitants were cold-bloodedly killed by the U.S. imperialist brutes in the northern half of Korea during the three-year war. … Another thrice-cursed crime committed by the U.S. imperialist aggressors during the war was the large-scale germ warfare strictly banned by international law and the massive use of chemical weapons, weapons of mass destruction. From late January to late March of 1952 the U.S. imperialists dropped germ bombs full of flies, fleas, bugs, mosquitoes and other harmful insects in over 400 places in the northern half of Korea more than 700 times, thus spreading dreadful malignant and acute epidemic viruses including pest, cholera, smallpox and epidemic hemorrhagic fever. The poisonous gas bombs dropped as part of ill-famed germ warfare and chemical
warfare claimed more than 50,000 people in the northern half of Korea including 1,379 inhabitants in Nampo City. ... The U.S. imperialists killed or wounded a total of at least 5,060,770 civilians of the DPRK: 1,247,870 killed, 911,790 abductees and more than 391,740 reported missing. According to damages calculated by international practices, they total 26,168,823 million U.S. dollars: 16,533,396 million for the dead, abductees and missing people and 9,635,427 million for the wounded and disabled when taking their possible working years and expected earnings, interest for the compensation unpaid and change in the U.S. currency value into due consideration. ...Property damages done to the Korean people by the U.S. for the past six decades total 16,703,169 million U.S. dollars. ... The amount of economic damages caused by the U.S. imperialists’ environmental degradation and contamination in the areas of the northern half of Korea reaches nearly 505,356 million U.S. dollars. ... The despicable economic sanctions and blockade perpetrated by the U.S. for more than a half century are the illegal and brigandish crimes and a wanton encroachment on the sovereignty of the state with no ground in the light of international law. Nevertheless, the U.S. has neither compensated for such base crimes nor repented of them. It is defiling the inviolable dignity and sovereignty of the DPRK by faking up the case of warship "Cheonan" just like a thief crying “Stop the thief!” and working with blood-shot eyes to impose disasters of a nuclear war on this land. The U.S. has used the nuclear issue on the Korean Peninsula for systematically isolating and stifling the DPRK, not for ensuring peace there. It deliberately derailed the six-party talks. Persistently sidestepping the peaceful co-existence with the DPRK, the U.S. is fostering division and confrontation between the north and the south and hindering the uniform development of the Korean nation, ceaselessly doing unspeakable damage to the former. All these facts once again clearly prove that the U.S. imperialists are the vicious and barbarous aggressors, murderers, shameless wreckers of peace and the sworn enemy of the Korean nation.” (KCNA, “KCNA on Tremendous Damage Done to DPRK by U.S.,” June 24, 2010)

North Korea’s economy has returned to negative growth after just one year, suffering from the aftereffects of a poor annual harvest and sanctions. In a report released on June 24 entitled “Gross Domestic Product of North Korea in 2009,” the Bank of Korea (BOK) stated that North Korea’s real annual GDP in 2009 had fallen by 0.9 percent from that of the previous year. This was largely due to decreased production of agricultural commodities such as maize due to cold weather, and sluggish manufacturing owing to a lack of electricity and raw materials. North Korea’s economy improved from consecutive years of negative growth in 2006 (-1.0 percent) and 2007 (-1.2 percent) to positive growth in 2008. Last year, however, it met stagnation once again, seemingly due to a combination of a number of adverse conditions. BOK explained the regression by saying it assumed that the North Korean economy had faced many international and external difficulties, as food shortage due to decreased crop production combined with reinforced sanctions and discontinued support from the international community and placing controls on market activity. In terms of nominal gross national income (GNI), the North Korean economy was estimated to be one thirty-seventh that of South Korea, while its per capita GNI was cited as one eighteenth that of its southern neighbor. North Korea’s trade volume (goods-based) was calculated as 3.41 billion dollars, a decrease of 410 million dollars from the previous
year. Bilateral trade between North Korea and South Korea, which had been steadily increasing, fell for the first time in five years. (*Hankyore*, “N. Korea’s Economy Returns to Negative Growth,” June 26, 2010)

North Korea appears to be preparing a missile launch along the west coast, a military source said yesterday, a move that could further raise tensions on the Korean Peninsula. The source told the *JoongAng Ilbo* that Pyongyang called for a ban on sailing in the area off the west coast near the border with South Korea. “North Korea has designated four of the northwestern areas in the Yellow Sea as a no-sail zone between June 19 and June 27,” said the source. “That appears to be a step prior to the firing of a short-range missile.” (Jeong Yong-soo, “North Calls for No-Sail Zone in West Sea; May Lob Missile,” *JoongAng Ilbo*, June 25, 2010)

*Chosun Sinbo*: “At the DPRK-China summit meeting held in Beijing about two weeks prior to the announcement of the ‘result of investigation,’ [the participants] had an important discussion over the common interests and co-prosperity between the two countries and peace and stability in Northeast Asia. The DPRK has acted with a vision of what it would do in the future. Even now, it is making a cool-headed assessment of the calculations and actions the countries concerned have made with regard to the incident of ‘Cheonan’ and taking appropriate measures to deal with them. ... The DPRK is putting spurs to the economic rehabilitation with the view to throwing open the gate to a powerful state by 2012. It is not right to say regarding the current crisis that the North and South are deliberately aggravating military tension, each taking countermeasures of their own. It is true that the DPRK has suggested that it would take ‘a number of hard-line measures, including an all-out war’ (statement issued by a spokesman for the National Defense Commission), in response to ‘retaliation’ [threatened in] the announcement of the ‘result of an investigation,’ but it was a strategic move to put a curb on reckless provocations of the bellicose forces and prevent the deterioration of the situation. In fact, the first thing that the DPRK talked about before mentioning countermeasures was that it would send ‘an NDC inspection team.’ The DPRK laid out its position that it would take the lead in getting rid of the apple of discord by shining light on the truth of the sinking incident beyond any doubt. ... It will be different in quality from the situation that prevailed when the UNSC set in motion ‘sanctions’ by taking issue with the DPRK’s launch of an artificial satellite in 2002. Even if it devotes itself to false propaganda and puts pressure on the DPRK and if the DPRK does not cave in to them, the Obama regime will be at the end of its rope and will be forced to ponder over the possibility of a nuclear war. Meanwhile, the Lee Myung-bak regime, which has fabricated an extraordinary farce, has already been convicted of having severed North-South relations and has lost even the eligibility to attend negotiations for setting up a peace mechanism on the Korean peninsula. [The Lee Myung-bak regime] will have to pay dearly for having created a crisis without any exit strategy by making light of the DPRK. It will probably be the provokers who have underestimated the opponent that will find themselves sitting on a hot seat and standing at the crossroads of having to choose between peace and war. Last year’s crisis was managed and brought under control through an ‘unorthodox diplomacy’ in the form of a former US president’s visit to Pyongyang, but it appears that this time such a temporary escape trick would not...

Letter to China’s Ambassador: “We will not detail here all of the evidence that was provided by the JIG, but emphasize that it conclusively establishes North Korea’s responsibility for this attack. We are thus surprised and dismayed that the Government of the People’s Republic of China has so far declined offers to send JIG briefers to Beijing to present their findings. Moreover, we are troubled to learn that your representatives to the United Nations have been working to prevent the UN Security Council from adopting a resolution or presidential statement condemning North Korea for this unprovoked and destabilizing attack. We would be grateful for an explanation of why your government has adopted these positions, which seem inconsistent with Premier Wen Jiabao’s May 28 statement that China ‘insists on justice and is seriously considering the findings of the multinational investigation’ into the sinking of the ROKS Cheonan. We hope that your government will take actions that address the concerns we have raised in this letter: namely, that the People’s Republic of China will accept official briefings from representatives of the JIG on the sinking of the Cheonan, and support international efforts to address this attack at the United Nations Security Council. We thank you for your consideration, and look forward to your response.”

Excerpt from letter to Ambassador Zhang Yesui from Joseph I. Lieberman (D-CT), Jim Webb (D-VA), Bill Nelson (D-FL), Jon Kyl (R-AZ), Edward E. Kaufman (D-DL), John S. McCain (R-AZ), James M. Inhofe (R-OK), Sam Brownback (R-KS), Lindsey Graham (R-SC), George S. Lemieux (R-FL), Carl Levin D-MI)

6/26/10 North Korea’s ruling party, the Workers’ Party of Korea, will convene a meeting in early September to elect its “highest leading body,” KCNA reported, in what will be the first such meeting in 44 years. It was not immediately clear which party posts will be subject to election. But it could herald moves toward a transfer of power from leader Kim Jong-il, 68, to his third son and possible heir Kim Jong Un. Given the aging and death of senior members, some posts in the party leadership, including the Politburo and the Secretariat of the WPK Central Committee, have been left vacant. (Kyodo, “N. Korea’s Ruling Party to Meet in Sept. to Elect Leadership,” June 26, 2010)

In its strongest move since the sinking of a South Korean warship, the Obama administration said that the United States would retain control of all military forces in the South during any conflict with North Korea. The announcement was an apparent attempt to signal to the North, which has long wanted American forces off the peninsula, that the United States would remain firmly in control of military operations if war were to break out. The decision is somewhat symbolic; the United States was not slated to give up wartime control of South Korean troops until 2012, and the new agreement extends the deadline to 2015. “There have to be consequences for such irresponsible behavior on the international stage,” Obama said during a press conference with President Le Myung-bak on the sidelines of an economic summit. The difficulty of taking action against the North was underscored earlier in the day when the leaders of the world’s largest industrialized economies and Russia – the so-called Group of 8 – condemned the sinking of the South Korean vessel, the Cheonan, without
explicitly blaming North Korea. China is not part of the G-8, but is a dominant force in the G-20. The G-8 said in a communiqué, “We support the Republic of Korea in its efforts to seek accountability for the Cheonan incident.” Obama also used the press conference to announce that President Hu Jintao of China had accepted an invitation to pay a state visit to the United States. The news came just days after China said it would allow greater flexibility in the value of its currency. Obama vowed to seek Congressional ratification for a long-stalled free-trade agreement with South Korea – a possibly risky political move that could please businesses but upset unions and their allies in Congress. (Sewell Chan and Jackie Calmes, “U.S. Keeps Command of Military in Seoul,” New York Times, June 27, 2010, p. 8)

6/27/10

President Barack Obama demanded that China recognize as a military provocation North Korea’s role in the March 26 sinking of a South Korean naval vessel. “There is a difference between restraint and willful blindness to persisting problems,” he said. “My hope is that Chinese President Hu Jintao will recognize this as an example of Pyongyang going over the line.” In a news conference after the G20 summit ended in Toronto, Japanese reporters asked for Obama’s view on China’s response to the sinking. He said, “North Korea is on their border and a collapse or chaos in North Korea may have significant impact on their security. Therefore, if they adopted a posture of restraint, I understand their thinking.” Saying he made “very blunt” comments on the sinking in summit talks with Hu the previous day, he said, “This is not an issue where you’ve got two parties of moral equivalence who are having an argument. This is a situation where you have a belligerent nation that engaged in provocative and deadly acts. I think we should make that clear.” (Dong-A Ilbo, “Obama Pressures China on Cheonan Sinking,” June 29, 2010)

Obama: “With respect to North Korea, our main focus right now is in the U.N. Security Council making sure that there is a **crystal-clear acknowledgment that North Korea engaged in belligerent behavior that is unacceptable to the international community.** And the United States participated in the investigation that was conducted around the Cheonan. Our experts concluded that North Korea had carried out that attack. That was consistent with South Korea’s assessment and others who were observers in the process.I think President Lee has shown extraordinary restraint given these circumstances. And it is absolutely critical that the international community rally behind him, and send a clear message to North Korea that this kind of behavior is unacceptable and that the international community will continue to step up pressure until it makes a decision to follow a path that is consistent with international norms. And my expectation is, is that those who were here at the G20, as they look at the evidence, will come to that same conclusion. I think it is a bad habit that we need to break to try to shy away from ugly facts with respect to North Korea’s behavior in the interests of -- or under the illusion that that will somehow help to maintain the peace. …Q. The Cheonan incident once again indicated unstability of Northeast Asia and the importance of the U.S.-Japan security treaty that just marked the 50th anniversary this month. And you will be meeting with new Prime Minister Kan after this. And on this occasion, would you please talk about your long-term vision on the alliance and the security treaty? I mean, is this current structure of the treaty sustainable for the coming decades, especially with the Chinese
military expansion and unpredictable North Korea? And -- or would there be more responsibility required on the Japanese side? And the related second-part question is, in your meeting with Hu Jintao yesterday, you called for the cooperation from Chinese side to send a clear message to North Korea as a consequence. How do you look at response so far? Is it favorable and strong enough to send a united, clear message to North Korea? PRES: Let me answer the second question first. I had the conversation with President Hu. I was very blunt. This is not an issue where you’ve got two parties of moral equivalence who are having an argument. This is a situation in which you have a belligerent nation that engaged in provocative and deadly acts against the other. And I think it is very important that we are clear about that. Now, I am sympathetic to the fact that North Korea is on China’s border. They have a security interest in not seeing complete chaos on the Korean Peninsula or a collapse that could end up having a significant impact on them. And so I think the United States and the international community should be mindful that this is in China’s backyard. And so when they adopt a posture of restraint, I understand their thinking. But I think there’s a difference between restraint and willful blindness to consistent problems. And my hope is that President Hu will recognize as well that this is an example of Pyongyang going over the line in ways that just have to be spoken about seriously -- because otherwise we’re not going to be able to have serious negotiations with the North Koreans. I, like I think every participant in the six-party talks, would love nothing more than to see these issues resolved diplomatically. So in that, China and the United States and Japan and South Korea and Russia all share a common interest. We’d like to see a denuclearized Korean Peninsula. We’d like to see a North Korea that is a responsible member of the world community -- which would be good for the people of North Korea. But that’s only going to happen if we’re honest about what’s taking place right now and if we’re honest about our basic expectations of how nations behave in an international order. With respect to the alliance between the United States and Japan, we marked 50 years. I expect that alliance to sustain itself for another 50 years. I think the condition of the alliance is very strong. I have already had the opportunity to meet with and discuss issues with the new Prime Minister over the last several days. I think he is as committed as I am to making sure that the U.S.-Japan alliance remains strong and vibrant. It is good for Japan’s security; it is good for America’s security. And, by the way, I think, again, it helps to serve China’s interests and South Korea’s interests. I think rather than set it up as a rivalry, rather than see -- view this as an issue of spheres of influence, which is I think an old way of thinking, what we want to do is to say we are always going to be there for Japan; we are always going to be there for South Korea; we are going to be a presence in the Pacific because we are a Pacific nation as well as an Atlantic nation. But we want to partner with all countries to create an environment in which trade and commerce, and the exchange of goods and people and ideas and cultures is thriving. And, look, Asia is obviously on the move. China is on the move. That’s a positive thing. That shouldn’t be a threat to anybody. What we want to make sure of, though, is that through dialogue, through forums like the G20, through forums like ASEAN or APEC or some of the other multilateral institutions that we’ve set up, that all countries are meeting their responsibilities even as their rights are also being recognized. And I think if we adhere to that basic principle, then a strong U.S.-Japan alliance is something that can continue to be a cornerstone of a peaceful and

KCNA: “…the head of the DPRK side to the DPRK-U.S. military general-level talks sent the following reply notice to the U.S. imperialist aggressor forces’ side on Sunday [June 27]. It is preposterous that they conducted the ‘investigation’ by using the ‘Military Armistice Commission’ though it was beyond its mandate and it was more absurd to put the ‘results of investigation’ on the table of the talks. It is as clear as noon that the ‘results of investigation’ on the part of the ‘MAC’ touted by the U.S. forces side will only represent ‘the results of the joint investigation’ full of fabrications and plots announced by the south Korean puppet authorities. By origin our intention was to dispatch our inspection group to south Korea from the very day the authorities linked the case with us and then open north-south high-level military talks to discuss the results of the inspection.” (KCNA, “Telephone Message to U.S. Forces Side,” June 27, 2010)

The DPRK proposed holding high-level military talks with South Korea over the investigation of a South Korean warship sinking, KCNA reported. (Xinhua, “DPRK Proposes North-South Military Talks over ‘Cheonan’ Case,” June 27, 2010)

DPRK FoMin spokesman: “Recently declassified state documents of the U.S. revealed the fact that it planned a nuclear attack on the DPRK in 1969 when EC-121 large spy plane incident occurred. At that time the U.S. Defense Department worked out a ‘plan for attacking 12 places of north Korea with 0.2-10kt nuclear weapons,’ a ‘plan for attacking 16 airfields with 10-70kt nukes to destroy air force of north Korea’ and a ‘plan for disabling the majority of the offensive capability of north Korea’ in ‘retaliation’ against the resolute self-defensive measure taken by the DPRK and submitted them to the White House. According to those documents, the U.S. had worked out a plan to mount nuclear attacks on the DPRK and several areas of Northeast China in 1954, the year right after the end of the Korean War. This is another testimony that the U.S. has always watched for a chance to use nuclear weapons against the DPRK, pursuant to the ‘policy of strength’ toward it. This indicates that the present U.S. administration is nothing different from the preceding regimes in their policy of nuclear threat to the DPRK as it excluded the DPRK from the list of non-use of nuclear weapons in the ‘Nuclear Posture Review’ in April. Historical facts prove that the DPRK was quite right when it made a decision to react to nukes with a nuclear deterrent. The recent disturbing development on the Korean Peninsula underscores the need for the
DPRK to bolster its nuclear deterrent in a newly developed way to cope with the U.S. persistent hostile policy toward the DPRK and military threat toward it.”

(KCNA, “Foreign Ministry Vows to Bolster Nuclear Deterrent in New Way,” June 28, 2010)

KCNA: “The Panmunjom Mission of the Korean People’s Army sent a message of protest to the U.S. imperialist aggression forces side Monday [June 28] slamming the U.S. imperialists and the south Korean puppet forces for introducing various types of heavy weapons to the portion of the south side in the area around the Panmunjom Conference Hall. Fully armed U.S. imperialist aggression troops and the south Korean puppet army unhesitatingly committed this provocation in the eyes of the KPA, an indication that they are set to perpetrate a military provocation any moment, the message says, and goes on: The U.S. forces side introduced those weapons at around 7:25 a.m. on June 26. The introduction of heavy weapons to the area around the conference hall where armed forces of both sides stand in acute confrontation is a premeditated provocation aimed to spark off a serious military conflict. The KPA side has followed with vigilance the moves of the U.S. forces side instigating the puppet forces to push the situation on the Korean Peninsula to such phase on the eve of the outbreak of a war and find an ignition point with June 25, the day of the start of the Korean War, as a momentum. The KPA side notifies the U.S. forces side of its following principled stand as regards the latter’s serious military provocation: 1. The U.S. forces side should immediately stop the provocative introduction of heavy weapons to the area around the Panmunjom Conference Hall. It should withdraw all those weapons already introduced from the area at once. 2. In case it does not comply with the principled demand of the KPA side, it will take strong military countermeasures in the said area. The U.S. imperialists and the south Korean puppet forces should never forget their bitter defeat six decades ago.” (KCNA, “KPA Accuses U.S. of Introducing Heavy Weapons in Panmunjom,” June 28, 2010) "United Nations Command continues to abide by the 1953 Korean Armistice Agreement and did not move heavy weapons into Panmunjom on 26th June," said David Oten, a spokesman for U.S. Forces Korea. The U.S. military spokesman, citing the U.N. Command’s response June 29 to the charge, says North Korea should bring its concern to the appropriate forum - the general officer military talks at Panmunjom. "The Armistice Agreement and the Supplemental Agreements to it provide a forum to resolve these types of misperceptions and allow for direct engagement between representatives from the [North] Korean Peoples Army and the United Nations Command," said Oten. "The two sides have met at the truce village on many occasions in the past to resolve security concerns and Armistice related issues." (Steve Herman, “U.N. Denies Bringing Heavy Weapons into Korean DMZ,” VOA News, June 29, 2010)

The appearance of the USS Michigan in Pusan, South Korea, the USS Ohio in Subic Bay, in the Philippines, and the USS Florida in the strategic Indian Ocean outpost of Diego Garcia not only reflects the trend of escalating submarine activity in East Asia, but carries another threat as well. The three Ohio-class submarines have all been recently converted from carrying cold-war-era nuclear ballistic missiles to other weapons - improved intelligence sensors, special operations troops and, significantly, 462 Tomahawk cruise missiles, boosting by an estimated 60 per cent-plus the potential...
Tomahawk strike force of the entire Japanese-based Seventh Fleet - the core projection of US military power in East Asia. While the move has been made with little fanfare, it is starting to resonate across the region. US officials insist it reflects long-term deployment plans and is not directed at a single country or crisis - such as intensifying tensions on the Korean peninsula following North Korea's sinking of a South Korean warship - but the message is unlikely to be lost on Beijing. One veteran Asian military attaché, who keeps close ties with both Chinese and US forces, noted that "460-odd Tomahawks is a huge amount of potential firepower in anybody's language." "It is another sign that the US is determined to not just maintain its military dominance in Asia, but to be seen doing so. That is a message for Beijing and for everybody else, whether you are a US ally or a nation sitting on the fence." "Japan, South Korea, Indonesia, Vietnam, Malaysia, Singapore and Australia - all these countries have been active behind the scenes in expressing concerns," another Asian diplomat said. "There is no hotter topic at the moment than China's naval ambitions." (Greg Torode, "U.S. Submarines Emerge in Show of Military Might," South China Morning Post, July 4, 2010)

South Korea plans to deploy two new reconnaissance aircraft to be used in gathering North Korean signal intelligence by 2014, a year before taking over wartime operational control of its troops, defense and procurement officials said. The Defense Acquisition Program Administration (DAPA) will release a request for proposals next month to local and foreign bidders who wish to participate in the integration of the new "Baekdu" signal-intelligence (SIGINT) planes. Final bidders will be selected by year's end.

The South Korean Air Force currently operates four Raytheon Hawker 800XP aircraft-based Baekdu SIGINT planes bought in 2000. Equipped with a remote control and signaling system, the Baekdu plane flies near the border with North Korea and is able to detect targets up to the size of 30 centimeters on the ground. (Jung Sung-ki, "New Spy Planes to Be Deployed by 2014," Korea Times, June 28, 2010)

North Korean leader Kim Jong-il’s son and heir apparent Kim Jong-un was elected as a deputy to the 12th Supreme People's Assembly in March last year, a North Korean source in a Western country said. He has not so far been known to have been given any official post as the regime maneuvers him into position to succeed his father. The source quoted a North Korean official as saying that Kim Jong-un was nominally elected from Constituency No. 216. At the time, his name was not on the list of new deputies because the North tried to conceal his election, the source added. In March last year, defectors organizations said it seemed Jong-un was elected from this electoral district given that Kim Jong-il's birthday is February 16 and that the published name of the deputy-elect from the district was “Kim Jong.” The source said the North is effectively under a collective leadership, and the "military-first" ideology shows that it no longer is a one-man dictatorship. "After Kim Jong-il's death, there will emerge a collective military leadership, which will probably put up Kim Jong-un as a figurehead," the source added. The source said some kind of deal seems to have been done in late 2008 whereby hardliners accepted the heir Kim Jong-il in return for Kim's agreement to ratcheting up political tensions on the peninsula. "Kim Jong-il's status will continue
to weaken until he dies,” according to the source. (Chosun Ilbo, “Kim Jong-il’s Son ‘Set up As Figurehead of Military Regime,’” June 29, 2010)

6/29/10 China will start six days of live-fire drills off its eastern coast June 30 amid plans for joint U.S.-Korea military exercises in the region. The People’s Liberation Army will ban all vessels from entering a large portion of the East China Sea from midnight until 6 p.m., starting from June 30 until July 5. The Chinese military announcement is seen by some analysts as a response to one by the United States and South Korea that they would conduct joint exercises in the Yellow Sea in a show of force aimed at rebuking North Korea’s aggression. “Though the Chinese government did not say anything about the drill, anybody with common sense on military strategy will bet that they are related,” Shi Yinhong, an expert on U.S. studies at Renmin University, was quoted as saying in the official China Daily. However, the Foreign Ministry denied there was a link, calling the naval exercise “regular military training.” “This has nothing to do with the situation on the Korean peninsula,” spokesman Qin Gang told a regularly scheduled news briefing, adding the announcement of the China drill was to ensure the safety of vessels and planes passing nearby. An editorial in the state-run Global Times called the naval drills a necessary way for China to beef up its “military potency.” (Tini Tran, “China to Conduct Live-Fire Sea Drill This Week,” Associated Press, June 29, 2010)

China is rejecting Western criticism that it is not doing enough to condemn North Korea over the sinking of a South Korean navel vessel. China rebuked U.S. President Barack Obama’s claim that it was willfully blind to the risks posed by North Korea. Chinese Foreign Ministry spokesman Qin Gang said Beijing felt the dangers of a divided Korean peninsula more acutely than Washington and other western powers. President Obama criticized China over the weekend at the G20 Summit in Canada for failing to take a tough stance toward Pyongyang. He claimed the Chinese had failed to condemn its close ally North Korea over the March sinking of a South Korean naval ship, the Cheonan, in which 46 sailors were killed. Obama said he hoped Chinese President Hu Jintao would recognize that North Korea crossed a line in the sinking of the ship. It was reported he had a frank exchange about the issues with Chinese President Hu Jintao at the G20 Summit in Canada. Spokesman Qin Gang said China has a deeper understanding of what he described as the fragile situation on the Korean Peninsula. “China is a close neighbor of the Korean Peninsula and over this issue, our feelings must be completely different to those countries far away from this region. We have more direct and more serious concerns over this.” Qin said conflict on the Korean peninsula would suit neither side. He said China’s position was what he described as beyond reproach. President Obama is leading the charge for Pyongyang to be punished for the sinking. (Peter Simpson, “China Rebuffs Western Criticism over North Korea,” VOA News, June 29, 2010)

South Korea will find acceptable a U.N. Security Council measure on North Korea similar to the statement issued by G-8 leaders last week that condemns the attack on a South Korean warship without naming North Korea as the culprit, a high-ranking source here said. At the end of their two-day summit in Muskoka, north of Toronto, on Saturday, the G-8 leaders said they “deplore the attack on March 26 that caused the sinking of the Republic of Korea's naval vessel, the Cheonan, resulting in the tragic loss
of 46 lives." The statement, which called for "appropriate measures" against those responsible for the attack, does not directly blame North Korea. Russia, a stronger backer of North Korea, reportedly opposed making the direct link, citing a lack of concrete evidence. The source said it was not clear whether the Security Council will issue a presidential statement or a resolution on Pyongyang. Regardless of the form, the outcome would be acceptable if the language is comparable with that of the G-8 statement, he said. The statement took note of the conclusions by the investigation team that the North was responsible for the attack, the source said. "The statement specifically refers to the conclusion and condemned the attack in that context," he said. "Anyone could easily see that the leaders condemned North Korea." He added that there was "some consensus" within the Security Council that the attack on the warship should be condemned. "The contentious issue at hand is whether to specifically name North Korea," he said. (Yonhap, “Seoul Says UNSC Measures Similar to G-8 Statement on North Korea Would Be Acceptable,” June 29, 2010)

North Korea warned it would attack "the stronghold of invaders" if the United States provoked a war in the process of a joint naval drill with South Korea, as tension persists on the Korean Peninsula over the deadly sinking of a South Korean warship. Minju Chosun, the North’s Cabinet newspaper, said in an editorial released through the official Korean Central News Agency that a joint South Korean-U.S. drill runs the risk of war. "It is a clear fact that even a small accidental event during the joint drill can lead to an armed conflict and a full-scale war," the paper said. "We will bring about a complete victory by uprooting the stronghold of invaders as well as dealing with them with merciless penalties" if the U.S. provokes another war on the peninsula, it said. (Sam Kim, "N. Korea Warns of Attack ahead of S. Korea-U.S. Naval Drill," Yonhap, June 29, 2010)

North Korea has asked the U.N. Security Council to support its call for a new probe into the March sinking of a South Korean warship that Seoul blames it for, saying it could cooperate on it with the South. We are of the view that the most reasonable way of settling this incident is that the north and south of Korea sit together to probe for the truth," North Korean U.N. Ambassador Sin Son-ho said in a letter to Mexican U.N. Ambassador Claude Heller, current president of the council. The letter, dated June 29, was obtained by Reuters. Sin said the 15-nation Security Council should "take measures that can lead the U.S. and South Korea to receive the inspection group of the National Defense Commission as already proposed by the DPRK (North Korea), the victim, to help verify the 'investigation result' and find out the truth." U.S. State Department spokesman P.J. Crowley said another inquiry was not needed. "We don’t think another investigation is warranted at this point," he told reporters in Washington. "We don’t see any ambiguity here and it’s time for North Korea to take responsibility for its actions." One senior Western diplomat described Sin’s letter as "more moderate and more measured" than communications the council usually receives from the North Korean mission. (Louis Charbonneau, “North Korea Urges U.N. Council to Back New Cheonan Probe,” June 30, 2010)
In a blow to conclusions that are already under attack from leftwing politicians and activists, a team of experts that investigated the sinking of the Navy corvette Cheonan have admitted showing a diagram of the wrong North Korean torpedo when they presented their findings at a press conference on May 20. When queried by journalists about discrepancies between the CHT-02D torpedo that attacked the Cheonan and the one depicted in the diagram, investigators said Tuesday that the pictured torpedo was of the model PT-97W and that the error was due to "a mix-up by a staff member while preparing for the presentation." A South Korean military spokesman said the error was discovered after the press conference and a presentation of the evidence in front of the UN Security Council featured the correct diagram. Investigators said they obtained information on the torpedo "from North Korean publications and CDs," adding they secured the materials through "separate routes." The diagram was on a CD. Asked why no traces of gunpowder were found on the fragments of the torpedo even though aluminum oxide was detected, the team said the propellant could have been pushed back and had no time to stick or it could have been washed away by currents under water. Only 36 out of 311 fragments from the Cheonan's hull contained traces of gunpowder, and small amounts of gunpowder were discovered on only one out of 40 fragments that had traces of aluminum oxide. Regarding the numbering "1 beon" written on one of the torpedo's pieces, the investigative team said analysis of the ink confirmed that it was an oil-based magic marker made using the ingredient Solvent Blue 5, and it is trying to secure samples for comparison. The team said Solvent Blue 5 is commonly used in magic markers, which North Korea may have imported, but the marker cannot be traced to the North with certainty. One journalist who attended the briefing said, "I was somewhat reassured by the scientific approach the team used to prove its point, and some of my suspicions have been resolved." But he added it was "not a satisfactory briefing since the team failed to offer a clear explanation regarding the column of water that was spotted and the twisted propeller." (Chosun Ilbo, “Cheonan Investigators Presented Wrong Torpedo Diagram,” June 30, 2010) The "scientific debate" surrounding the results of the joint civilian-military investigation team has heated up, as refutations and counter points have emerged from several scientists who have raised issues with the findings. In particular, scientists have voiced the opinion that the results of analysis of explosive residue found on the ship, raised as one of the pieces of "decisive evidence" of a torpedo attack, is similar to a substance that appears in simple clay. University of Virginia Physics Professor Lee Seung-heon and Dr. Yang Panseok, head of analysis at the University of Manitoba's department of geological sciences, said in a report recently sent to Hankyoreh 21 that the energy spectroscopy graph announced on May 20 as an explosive substance was not droplets of aluminum oxide, an explosive substance, but Gibbsite, a clay substance that naturally occurs due to weathering. Gibbsite could come from sediment soil from the seas in front of Baengnyeong Island, and it is commonly extracted in its natural state and used as fire-retardant material in vessels like the Cheonan. In analyzing an energy spectroscopy graph, it is possible to identify a substance though the ratio of its elements. The joint investigation team determined the substance was aluminum oxide, with an aluminum-oxygen ratio of 0.92 for the residue found on the Cheonan hull and 0.9 on the fragments of the torpedo. The two scientists, however, said the results of simulations at the U.S. National Institute of Standards and Technology (NIST) resulted in an aluminum-oxygen ratio of 0.23 for aluminum oxide, and that the result presented
by the investigation team was closer to Gibbsite at 0.85. In response to criticism that the substance had too much oxygen for aluminum, the investigation team said in a meeting with representatives of the press on June 29 that the sample of the substance absorbed into the hull was about 40 percent water, which includes oxygen. (Lee Yong-inn, “Scientific Debate around Cheonan Findings Heats up,” *Hankyore*, July 2, 2010)

7/1/10 Two North Korean spies were sentenced to 10 years in jail for plotting to assassinate Hwang Jang-yop, the highest ranking defector here from the North. The Seoul Central District Court handed the ruling to Kim Myung-ho and Tong Myung-gwan, both 36, who were exposed by South Korean intelligence agents earlier this year. "Kim and Tong admitted to the crime and statements regarding their personal details and the infiltration route are considered credible based on testimonies made by other defectors and agents," the court said in its ruling. (Kwon Mee-yoo, “N.K. Spies Get 10 Years for Plot to Kill Hwang,” *Korea Times*, July 1, 2010)

7/2/10 The U.N. Security Council is debating "to what extent North Korea can be held responsible and pointed out," Wi Sung-lac, South Korea's top nuclear envoy, told Yonhap at an airport west of Seoul after returning from New York and Washington. The discussions at the UNSC have been stalled largely due to the reluctance of China and Russia to pinpoint North Korea as the culprit in the sinking of the 1,200-ton Cheonan in the Yellow Sea. Wi declined to elaborate as the discussions were still underway at the 15-nation global security body. But sources in New York said earlier in the day that China and Russia, Pyongyang's traditional backers, have been a stumbling block to Seoul's diplomatic bid. Prospects for a consensus appeared to rise when Russia agreed on a statement issued at last week's G-8/G-20 summit in Toronto. The statement condemned the attack while indirectly naming North Korea as accountable. Officials in Seoul say that the G-8 statement could be a guide to discussions at the U.N. "Negotiations are not easy as China, which is not included in the G-8, is virtually speaking for North Korea at the Security Council," one source in New York said, suggesting that final language would be watered down from the G-8 statement. Experts have said China fears that a strong U.N. measure could provoke Pyongyang and further raise tensions on the Korean Peninsula and in the region and hurt its fast-growing economy. Pyongyang "flatly rejects the (G-8) declaration as a clumsy hackwork which admits of no argument," KCNA said in a commentary, warning of consequences for any penalties. (Yonhap, “U.N. Debating Extent of N. Korean Responsibility for Sinking: Envoy,” July 2, 2010)

7/3/10 As the campaign for the House of Councillors election heats up, families of Japanese citizens abducted by North Korean agents are increasingly frustrated by the heavy focus on the consumption tax and other economic policies. In the 9-1/2 months since the Democratic Party of Japan came to power, there has been no notable progress on the abduction issue. "It doesn’t do any good if someone just says ’I’ll resolve the abduction issue.’ There’s no point unless the government shows us concrete plans and shows how they will be carried out," Yokota Shigeru, whose daughter was taken by North Korean agents, said to reporters after a meeting with PM Kan Naoto on June 10, just after Kan was elected prime minister. Many members of the Association of the Families of Victims Kidnapped by North Korea feel they have been tossed aside by
politicians. The families association in the past had gained strong support from Liberal Democratic Party lawmakers, but recent events have made the party's backing less reliable. Nakagawa Shoichi, the late former finance minister who had led efforts to resolve the abduction issue, was among a number of LDP bigwigs who lost their seats in last summer's House of Representatives election. Nakayama Kyoko, an upper house member who served as state minister in charge of the abduction issue in the former PM Fukuda's administration, has since quit the LDP and joined the Sunrise Party of Japan. After the DPJ took over in September, newly installed PM Hatoyama Yukio and Foreign Minister Okada Katsuya met with some victims' family members, but the strength of the DPJ-led administration's actions on the abduction issue since then has varied. The government expanded the task force assigned to the issue, and increased the number of staffers researching North Korea full-time to 16. However, abductees' families were upset when a Cabinet document drawn up in October did not mention the handover of the abductors. A six-point action plan compiled earlier by the former LDP-led government did call for the abductors to be handed over to Japan. (Yomiuri Shimbun, "‘Upper House Election: ‘Don't Leave Abductees Behind,’” July 3, 2010)

U.S. officials have largely ruled out North Korea as the origin of a computer attack last July that took down U.S. and South Korean government websites, according to cybersecurity experts. But authorities are not much closer than they were a year ago to knowing exactly who did it – and why. In the days after the fast-moving, widespread attack, analysis pointed to North Korea as the likely starting point because code used in the attack included Korean language and other indicators. Experts now say there is no conclusive evidence that North Korea, or any other nation, orchestrated it. (Lolita Baldor, "U.S. Largely Ruling out N. Korea in 2009 Cyberattacks," Associated Press, July 3, 2010)

7/5/10

North Korea refused to discuss the deadly March sinking of a South Korean warship at a U.N. military commission overseeing the truce on the Korean Peninsula, calling for a new investigation into the tragedy blamed on the communist state. An unnamed foreign ministry spokesman said his country will not agree to discuss the sinking at the U.N. Military Truce Commission because it would help the United States and South Korea deflect its demand that an inspection team be invited. “The U.S. and south Korean puppet authorities are playing cheap tricks ... in an attempt to block the involvement of our inspection team and blur the truth behind their fabricated plot,” he said in an interview with KCNA. (Sam Kim, “N. Korea Rejects Talks on Warship Sinking through Truce Commission,” Yonhap, July 6, 2010)

7/6/10

DPRK FoMin spokesman: “The U.S. has placed the south Korean authorities at the head in its persistent demand that the “Cheonan” incident be discussed at the “Military Armistice Commission”, alleging that this incident constitutes the “violation of the Korean Armistice Agreement.” It is a historical fact known to the world that the Korean Armistice Agreement, from the moment of its signature, became subject to a systematic violation and abrogation by the U.S. ... The U.S. had already destroyed by itself the Armistice Agreement and its mechanism. It does not stand to reason that the US is now trying to take them into the "Cheonan" incident. Herein lies an ulterior aim sought by the U.S. As time goes by, growing suspicion about the "results of
investigation” announced by the south Korean authorities continues to spread across the world whereas the international community is expressing greater sympathy with our proposal to send an inspection team. Being cornered, the U.S. and south Korean puppet authorities are playing cheap tricks with the issue of consultation forum in an attempt to block the involvement of our inspection team and blur the truth behind their fabricated plot. The U.S. wanted to take the advantage of the fact that we do not recognize the "MAC" and came up with the idea of "discussion at the MAC"; however, it is a miscalculation. The U.S. argues that the incident can be discussed at the "MAC" because there is a "precedent of DPRK-U.S. general-level talks" dealing with violations of the Armistice Agreement. However, the truth behind the "Cheonan incident" has not been unveiled yet; hence, as of this moment, we cannot even talk about the violation of the Armistice Agreement. We have already clarified our position as regards this matter; an inspection team of the National Defence Commission must be sent to uncover the truth of the incident; working-level contacts for north-south high-level military talks must be made to this end. The United Nations Security Council should abide by the principle of objectivity and impartiality so as to distinguish truth from falsehood and take heed of our proposal aimed at giving priority to the work of getting to the bottom of the incident.” (KCNA, “FM Spokesman U.S. Describing ‘Cheonan’ Case as ‘Violation of AA,’” July 6, 2010)


7/7/10

North Korean leader Kim Jong-il has ordered the demolition and rebuilding of a theater that was in perfect condition, adding to suspicions that his judgment is becoming severely impaired as a result of a stroke in 2008. Citing North Korean sources, Radio Free Asia reported on Monday that a national theater in Pyongyang was demolished in May and is being reconstructed. People there “seem to wonder why a building that was just renovated in 2003 is being rebuilt.” “It’s strange enough to watch the same play twice in less than two weeks, but it’s even more absurd to order the reconstruction of a building that was renovated just seven years ago,” said a South Korean intelligence official. “It appears that the aftereffects of Kim Jong-il’s stroke are more serious than we thought.” National Intelligence Service chief Won Sei-hoon told a closed-door National Assembly committee meeting last month that Kim is showing signs of memory loss and talking nonsense during his field inspections. But other experts advise caution. “North Korea has gauged the level of South Korea’s intelligence gathering abilities by monitoring media reports from the South and other countries about Kim Jong-il’s health,” said Sogang University Professor Kim Young-soo. “We need to be more discerning even when it comes to signs pointing to dementia.” (Chosun Ilbo, “Kim Jong-il’s Decision-Making Grows More Erratic,” July 7, 2010)

USFK Commander Gen. Walter Sharp has reportedly expressed his virtual opposition to the South Korean Army’s plan to restart loudspeaker broadcasts at the DMZ aimed at North Korea. Sharp reportedly expressed this view when he met with Joint Chiefs of
Staff Chairman Lee Sang-eui after the Lee Myung-bak administration’s announcement on May 24 of measures pertaining to the sinking of the Cheonan. Multiple military sources connected to South Korea-U.S. relations said Tuesday that Sharp had doubts as to the aim and effectiveness of the loudspeaker broadcasts, and asked if there was a contingency plan should a firefight erupt between North Korean and South Korean troops. The sources said Sharp’s expressed opinion has been interpreted as opposition to the restart of propaganda broadcasts. Sharp reportedly expressed his opinion during a breakfast meeting with Lee in early June. The military sources also said Sharp expressed regret that South Korean military authorities did not confer with the UN Command, a party by international law to matters pertaining to the Military Demarcation Line (MDL), prior to the announcement of plans to restart the loudspeaker broadcasts. Military authorities installed loudspeakers at 11 locations along the MDL after announcing a plan to restart loudspeaker broadcasts as part of the measures aimed at North Korea announced by the Lee administration on May 24. Actual broadcasts have thus far not restarted, and the plan to operate LED screens for psychological warfare use has been virtually canceled. A military source said cooperation between the United States and South Korean military authorities regarding psychological warfare operations has not been smooth. Appearing before a parliamentary special committee on the sinking of the Cheonan on June 11, Defense Minister Kim Tae-young said in regards to the loudspeaker broadcasts that the ministry had decided to delay as both South Korea and the United States felt it would be best to start them after the UN Security Council finishes taking measures against North Korea. It appears the South Korea’s military’s reserved attitude on the matter was greatly influenced by the negative attitude of the United States. In response, Donald Gross, Asia policy advisor to Barack Obama during his presidential campaign, stated through a column in the Hankyoreh on June 21 that the South Korean army’s psychological warfare operation could ignite a wide-ranging military conflict on the Korean Peninsula of which the end would be impossible to accurately predict. Cautioning that it would have the unintended effect of causing a fissure in the South Korea-U.S. alliance, Gross called for the plan to be indefinitely postponed or scrapped all together. (Hankyore, “USFK Commander Voices Opposition about Loudspeaker Broadcasts,” July 8, 2010)

Key Security Council members have agreed on a statement, presented to the council today, that condemns the sinking of a South Korean warship that left 46 sailors dead, but avoids singling out North Korea for the attack. The statement “condemns the attack which led to the sinking of the Cheonan” and “calls for appropriate and peaceful measures to be taken against those responsible,” without blaming North Korea. It also notes that North Korea denied involvement. But it does cite a South Korean investigation, in which five nations participated, that concluded that North Korea torpedoed the ship. “We think the statement is very clear,” said Ambassador Susan. E. Rice of the United States, which circulated the draft. “It puts forth the factual foundation and it expresses the council’s judgment that the attack on the ship is to be condemned and that no further attacks against the Republic of Korea should be contemplated.” Rice also avoided naming North Korea as directly responsible in her statements to the news media. The wording was reached through negotiations among the permanent members of the Security Council – the United States, Russia, China, France and Britain

President Lee Myung-bak appointed a three-term lawmaker and current labor minister as his new chief of staff prior to replacing several other senior secretaries and reshuffling the Cabinet. “President Lee Myung-bak has named Employment and Labor Minister Yim Tae-hee as new presidential chief of staff,” Lee Dong-kwan, senior secretary for public affairs, announced. Yim replaces Chung Chung-kil, who offered to resign to take responsibility for the party’s surprise defeat in the June 2 local elections that were widely viewed as a referendum on the president’s performance. Yim reportedly held a secret meeting with Kim Yang-gon, North Korea’s point of contact for the South, in Singapore late last year in an unsuccessful attempt to arrange an inter-Korean summit. (Lee Chi-dong, “President Names Labor Minister as Chief of Staff,” Yonhap, July 8, 2010)

South Korea and the United States are expected to narrow their differences and ink a final agreement over the planned relocation of U.S. troops further south on the peninsula by the end of this year. “The two sides aim to forge a final deal by the end of this year,” an official in Seoul said. Seoul and Washington are anticipated to agree on moving the Yongsan Garrison in 2015 and the infantry division the following year with Seoul chipping in at least 6 trillion won ($4.9 billion) for the relocation, a high-ranking official here said. Narrowing the opinion gap regarding costs, Seoul is expected to shoulder 1 trillion won in purchasing the land and another 5 trillion to help support the construction projects in the new location, the official said. Washington is expected to pay some 7 trillion won, according to the government’s earlier estimation. “The government may have to spend more than its previous estimation due to overall increase in prices from when the two sides reached a preliminary deal (in 2008),” the official said. (Shin Hae-in, “Allies Near Agreement on Base Move,” Korea Herald, July 8, 2010)

China has asked the South Korean government through a diplomatic channel to refrain from a joint exercise with the U.S. in the West Sea this month. The anti-submarine drill is planned as a response to North Korea’s torpedo attack on the Navy corvette Cheonan. A government official said the country will not consider canceling or changing the joint exercise plan. “A military exercise in our territorial waters is a matter of our own sovereignty,” he said. A diplomatic source said Beijing asked Seoul to refrain from the exercise for fear that it "might destabilize the Korean Peninsula." The state-controlled Chinese media have been slamming the planned exercise. The Global Times, a sister newspaper of the official People’s Daily, in an unusually harshly worded front-page story on Wednesday said Seoul has "delusions" of putting pressure on Beijing through the exercise. "The U.S. and South Korea are using the UN as an excuse to pressure China over its stance on the sinking," the daily quoted a Chinese academic as saying.

In an editorial Tuesday, the same paper said the drill is a clear challenge to China’s security. “Considering the growing economic, diplomatic, political and cultural ties the U.S. has with China, the price the U.S. has to pay for its irresponsible decision will be higher than it can envision now. If the U.S. does not pay for this ‘adventure’ now, it will pay in the future,” it added. A South Korean government official said, “Just as China staged a live fire exercise in the East China Sea on June 30, the two allies Korea and
the U.S. are staging a drill in our territorial waters. It's a matter of sovereignty that nobody can interfere with. We can’t cancel the plan just because China is protesting." But some officials say the plan may be slightly adjusted depending on what position China takes when the UNSC makes a decision over the Cheonan sinking. China is against any attempts at the UNSC to put the blame on North Korea or describe the sinking as an "attack" in any official statement. If the UNSC fails to come up with a chairman's statement strongly condemning the North, South Korea and the U.S. will consider taking separate action against the North, including financial sanctions. But the scale and the timing of the exercise could be adjusted if China makes some concessions. 

(Chosun Ilbo, “Beijing Urges Seoul to Refrain from West Sea Drill,” July 8, 2010)

Public support for the Cabinet of Prime Minister Naoto Kan plunged by 15.4 percentage points from the previous survey in the latter half of June to 43.4 percent in the latest Kyodo News nationwide telephone poll, according to results released Thursday. The disapproval rate for the cabinet of Kan, who assumed power June 8, increased to 43.2 percent, up 13.2 points, in the poll conducted on July 7-8, ahead of House of Councillors election on July 11. Asked which party they will vote for in the proportional representation section of the upper house election, 23.7 percent named the ruling DPJ, down from 26.3 percent in the previous poll conducted on June 19-20. Although the rate was higher than that for the main opposition Liberal Democratic Party, at 17.3 percent -- up from 15.8 percent -- the DPJ’s lead over the LDP shrank by 4.1 points from the previous poll to 6.4 points. In constituencies, the DPJ’s lead over the LDP also narrowed by 8.4 points to 1.7 points, as 22.6 percent said they will support DPJ candidates in electoral districts and 20.9 percent said they will support LDP candidates. The two major parties were followed in terms of support in the proportional representation block by Your Party at 7.7 percent, the New Komeito party at 6.4 percent, the Japanese Communist Party at 2.9 percent and the Social Democratic Party at 2.0 percent. Newly formed small parties continued to struggle to garner support, with the Sunrise Party of Japan gaining 1.0 percent and the New Renaissance Party getting 0.8 percent. (Kyodo, “Support for Kan Cabinet Plunges to 43%: Kyodo Poll,” July 8, 2010)

In a show of compromise rather than muscle, the U.N. Security Council unanimously condemned the sinking of South Korea’s Cheonan warship in an ambiguous statement that creates at least the possibility that North and South Korea can step back from tensions raised by the March incident. In Seoul, a Foreign Ministry official had expressed "satisfaction" with the draft statement circulated Thursday, noting that China was not likely to support direct finger-pointing at the government of its ally Kim Jong Il. Both sides had to work to narrow the gap," the official told Yonhap, referring to China. "From our perspective, we both showed a lot of flexibility." The statement’s reference to an "attack" met one of South Korea’s main requirements. South Korea’s U.N. ambassador, Park In-kook, told reporters that the statement "made it clear it is North Korea to blame" for the March 26 sinking. “I’m sure that today’s strong unanimous statement will serve to make North Korea refrain from further attack or provocation,” he said. South Korea’s acceptance of the statement marked another step in a retreat from its once-assertive stance toward its neighbor. As recently as late May, South
Korean President Lee Myung-bak, empowered by the investigation’s conclusion that the North had blown up the Cheonan with a torpedo, vowed that “North Korea will pay a price.” But since then -- in a reflection of China’s role as a shield for North Korea and the South Korean public’s reluctance to see escalation -- the South’s response has been marked by half-measures and delays. U.S.-South Korean interests could yet collide with China’s if the United States and the South stage a planned military exercise in the Yellow Sea. China’s Foreign Ministry spokesman, Qin Gang, was quoted in the South Korean media this week as saying that it could re-escalate tensions on the Korean Peninsula. For now, Washington and Seoul have separately stated their intentions to proceed with the exercise -- a show of defensive muscle in an area where North Korea has sought to create a border. (Chico Harlan and Colum Lynch, “U.N. Security Council Condemns Sinking of South Korean Warship,” Washington Post, July 10, 2010, p. A-6)

Text of UNSC president’s statement: “The Security Council notes the letter dated 4 June 2010 from the Permanent Representative of the Republic of Korea (ROK) to the United Nations addressed to the President of the Security Council (S/2010/281), and the letter dated 8 June 2010 from the Permanent Representative of the Democratic People’s Republic of Korea (DPRK) to the United Nations addressed to the President of the Security Council (S/2010/294). The Security Council deplores the attack on 26 March 2010 which led to the sinking of the ROK naval ship, the Cheonan, resulting in the tragic loss of 46 lives. The Security Council determines that such an incident endangers peace and security in the region and beyond. The Security Council deplores the loss of life and injuries and expresses its deep sympathy and condolences to the families of the victims and their friends and to the people and Government of the ROK, and calls for appropriate and peaceful measures to be taken against those responsible for the incident aimed at the peaceful settlement of the issue in accordance with the UN Charter and all relevant provisions of international law. In view of the findings of the Joint Civilian-Military Investigation Group led by the ROK with the participation of five nations, which concluded that the DPRK was responsible for sinking the Cheonan, the Security Council expresses its deep concern. The Security Council takes note of the responses from other relevant parties, including from the DPRK, which has stated that it had nothing to do with the incident. Therefore, the Security Council condemns the attack which led to the sinking of the Cheonan. The Security Council underscores the importance of preventing further such attacks or hostilities against the ROK or in the region. The Security Council welcomes the restraint shown by the ROK and stresses the importance of maintaining peace and stability on the Korean Peninsula and in northeast Asia as a whole. The Security Council calls for full adherence to the Korean Armistice Agreement and encourages the settlement of outstanding issues on the Korean peninsula by peaceful means to resume direct dialogue and negotiation through appropriate channels as early as possible, with a view to avoiding conflicts and averting escalation. “The Security Council reaffirms the importance that all Member States uphold the purposes and the principles of the Charter of the United Nations.” [says it was an attack but does not name attacker] (Text of UNSC Statement, July 9, 2010)
Pyongyang has made its "position very clear that this incident has nothing to do with us," said ambassador to the UN Sin Son-ho, adding the statement was "our great diplomatic victory." North Korea will "consistently make our efforts to conclude a peace treaty and continue the denuclearization process on the Korean peninsula through the six-party talks," he added. (AFP, "U.N. Condemns Sinking of South Korean Ship," July 9, 2010)

North Korea’s top envoy to the United Nations criticized a presidential statement adopted by the world body’s Security Council condemning the fatal sinking of a South Korean warship in March that Seoul blames on Pyongyang. "Today the Security Council has failed to bring correct judgment or conclusion on the case," North Korea’s U.N. Ambassador Sin Son Ho told reporters. He then warned of consequences, saying, "The plot this time drove the situation of the entire Korean Peninsula into the trigger point." "This incident should have been resolved between the North and South Korea from the very beginning without having been brought to the United Nations," he said. "We are determined to do our utmost to dig out the truth behind this incident." A spokesman at North Korea’s Foreign Ministry released a statement Saturday saying the Security Council issued a "presidential statement devoid of any proper judgment and conclusion." The case should have been settled between the North and the South without referring it to the United Nations, KCNA quoted the spokesman as saying. (Kyodo, “N. Korean Envoy Criticizes U.N. Statement Condemning Ship Sinking,” July 9, 2010)

North Korea proposed military talks with the United States next week to discuss the sinking of a South Korean warship which Washington blames on the North. The proposal was made today ahead of the U.N. Security Council’s approval of a statement that condemned the sinking of the warship Cheonan, without directly blaming the North. Late last month, the American-led U.N. Command, which oversees an armistice that ended the Korean War in 1953, proposed general-level talks with North Korea to discuss the warship sinking. The North, however, rejected the offer, urging Washington not to interfere in inter-Korean affairs under the name of the U.N. Today, however, the North reversed its position and proposed a working-level contact between colonels with the U.S. next Tuesday at the border village of Panmunjom to prepare for the general-grade talks. "This proposal is a manifestation of the unshakable will of the army and people of the DPRK to probe the truth behind the 'Cheonan' case in an objective, scientific and fair way," the North’s military said in a message sent Friday to the U.S. command in Seoul, according to KCNA. (Hyung-jin Kim, “N. Korea Proposes Military Talks with U.S. over Ship Sinking,” Associated Press, July 9, 2010)

KCNA: “The U.S. forces side sent a notice to the DPRK side on June 26 to the effect that it would explain "results of investigation" into the "Cheonan" case. The DPRK side clarified the principled stand of its army and people to open the north-south high-level military talks for the purpose of probing the truth behind the case. The Lee Myung Bak group of traitors, however, has persistently turned down the DPRK’s realistic proposal, far-fetchedly asserting that the case is an issue to be dealt with under the Korean Armistice Agreement. Meanwhile, the U.S. forces side repeatedly requested the DPRK side to hold the DPRK-U.S. military general-level talks, underlining the need to make "joint efforts to prevent the recurrence of the tragic incident." In this connection the head of the DPRK side to the DPRK-U.S. military general-level
talks sent the following reply notice to the U.S. forces side on July 9: The DPRK side will not be bound to modalities and methods of talks if they are helpful to probing the "Cheonan" case in an objective and scientific way. The DPRK still regards the opening of the north-south high-level military talks as the best way for settling the issue. It decided to take note of the U.S. forces side's proposal to discuss the "Cheonan" case at the DPRK-U.S. military general-level talks now that the south Korean authorities are turning down the proposal made by the DPRK with magnanimity. The DPRK side, first, advances a modified proposal on holding a senior colonel (colonel)-level working contact at Panmunjom at ten on July 13, to discuss the issues concerning the opening of the DPRK-U.S. military general-level talks. This proposal is a manifestation of the unshakable will of the army and people of the DPRK to probe the truth behind the "Cheonan" case in an objective, scientific and fair way. If the U.S. forces side truly stands for a solution to the warship case and peace and security on the Korean Peninsula, it should seriously respond to this proposal carrying the good faith and magnanimity of the army of the DPRK." (KCNA, "KPA Not to Be Bound to Modalities and Methods of Talks," July 9, 2010)

The U.N. Security Council issued a presidential statement, "deplores" and "condemns" the attack which led to the sinking of the South Korean naval vessel, though without pointing the finger at North Korea. The presidential statement is weaker than the resolution initially sought by the United States, South Korea and Japan among others. Referring to the findings of a joint investigation group, which concluded that North Korea was responsible for the sinking of the Cheonan, the statement expressed "deep concern" but stopped short of directly blaming Pyongyang after an apparent compromise among council members. The statement, which was accepted by all 15 council members after being circulated Thursday by the United States in a closed-door meeting, said that "such an incident endangers peace and security in the region and beyond." It also called for "appropriate and peaceful measures to be taken against those responsible." (Kyodo, "U.N. Adopts Presidential Statement Condemning Ship Sinking," July 9, 2010)

North Korea said that an American man it is holding for illegal entry has recently attempted suicide and is being treated at a hospital. In April, a North Korean court sentenced Aijalon Gomes, 30, to eight years in a labor camp for illegal entry on Jan. 25. "Driven by his strong guilty conscience, disappointment and despair at the U.S. government that has not taken any measure for his freedom, he attempted to commit suicide," KCNA said in a brief report. The Swedish embassy in Pyongyang, which represents U.S. interest in North Korea, has seen Gomes at the hospital, according to the report. (Sam Kim, "N. Korea Says Detained American Attempted Suicide," Yonhap, July 9, 2010)

A commission charged with investigating wartime atrocities has found that American troops killed groups of South Korean civilians on 138 separate occasions during the Korean War. But in a flurry of rulings made in the past few days, the commission decided not to seek compensation or criminal charges in about 130 of the cases either for lack of evidence or because it found that the killings were militarily justified. The
findings, which have not been formally announced, appear to reflect the desire of the conservative government of President Lee Myung-bak to wrap up the inquiry and avoid antagonizing the United States. The commission will recommend that South Korea start negotiations with Washington to seek compensation for the victims in the remaining eight cases, the president of the commission said today. In the other 130 cases, the commission could not find evidence of illegality by the American military or it determined that the deaths resulted from “military necessity,” said Lee Young-jo, president of the government’s Truth and Reconciliation Commission. “They were more like cases of negligence than of liability or war crimes,” said Lee, whose commission wrapped up its four-year-old investigation on June 30. “For such a low level of unlawfulness, I don’t think any government negotiations with the United States for compensation are necessary.” Lee, who became president of the commission last December, said that since he took over, the panel had shifted the criteria for faulting American wartime actions. It gave more consideration to “military necessity,” the difficult situations the troops faced during the war and the need for testimony from American veterans. The eight mass killings that the commission determined as unlawful and eligible for compensation by Washington were all investigated by commissioners appointed under Mr. Roh’s government. Citing witness accounts and declassified U.S. documents, the commission found that American pilots, warned about potential North Korean infiltrators, indiscriminately attacked refugee groups, hitting them with machine-gun fire, missiles and napalm. An estimated 855 refugees were killed, including 200 crammed inside a cave and suffocated by fires set off by air attacks; 100 huddled on a beach and shelled by an American ship; and 35 attacked by American aircraft in Kyongju, a town behind the lines in the south. In December, the government began replacing liberal commissioners whose terms had ended with conservatives. The commission has since dismissed victims’ calls for extending its work. An outgrowth of South Korea’s democratization, the commission began its work in late 2005 under the auspices of the liberal government of President Roh Moo-hyun, delving into a dark chapter of South Korean history, discussions of which were taboo under the country’s past military governments. It has confirmed that during the first chaotic weeks of the war, when North Korean troops barreled down the peninsula, the South’s military and police rounded up thousands of suspected leftists – historians say as many as 200,000 – and executed them to prevent them from aiding the invading forces. The investigators also disclosed that North Korean troops and southern leftists massacred South Korean rightists. Suspicions spawned by the ensuing revenge killings still divide South Korea. The commission was handicapped from its inception by political battles between liberals and conservatives. One of the most contentious issues of all was how to deal with wartime killings by American forces. The commission’s conclusions were not greeted so warmly, however, by the families of the victims. “Our government is cowering before the big U.S. government,” said Lee Chang-geun, 77, whose parents were among an estimated 300 South Korean soldiers, railway officials, students and other civilians killed on July 11, 1950, when American aircraft bombed the train station in Iri, a southern town many miles behind the front line. Two weeks earlier, on June 25, the North Korean Army invaded the South, starting the war. The United States fought alongside South Korea in an intervention that left more than 36,000 American soldiers dead and has sown both gratitude and pain among South Koreans ever since. “I want to ask the Americans: Is it O.K. to bomb
civilians by mistake?” Lee said. “I want to ask: Just because their military came to help South Korea, is it O.K. to kill South Korean civilians and keep mum about it?” “They have so far uncovered just a tip of the iceberg,” said Oh Won- rok, 70, who said his father was killed without trial by the South Korean police in July 1950. “So many victims did not come forward, out of fear. The current conservative government wants to keep it all buried.” Oh leads a national association of 80 survivors’ groups. (Choe Sang-hun, “Korean War Panel Finds 138 Instances of U.S. Attacks on Civilians,” New York Times, July 10, 2010, p. A-4)

The promotion of Jang Song Thaek, director of the party’s Central Committee administration department, to vice chairman of the National Defense Commission offers an insight. Jang, Kim Jong Il’s brother-in-law, is considered a guardian of sorts to Kim Jong Un. The promotion signaled Kim’s intention of maintaining and strengthening that synergetic relationship. However, intelligence officials are already pointing to signs of a major power struggle among the core of the leadership elite in Pyongyang. [?] There has been speculation about increased tensions and confrontation arising from a battle for loyalty between those aligned with Kim Yong Chol, who heads the bureau dealing with special operations vis-a-vis South Korea, and those allied with Jang’s associates. There have even been rumors that Kim Jong Il is displaying memory impediments. If the transition process goes ahead too swiftly, Kim Jong Il could become a lame duck leader. That could trigger a power struggle between father and son. [?] A U.S. administration official handling North Korean affairs said, “An extremely dangerous situation is emerging, which is peculiar to the period of power succession. The situation is not unlike what was seen during the 1980s when a bomb exploded and destroyed a Korean Air jet.” Under this line of thinking, a possible sign of that development was the torpedo attack in March that sank the South Korean corvette Cheonan. One disturbing aspect of the attack is the likelihood, as pointed out by CIA Director Leon Panetta, that “the skirmishes going on are in part related to trying to establish credibility for” Kim Jong Un with the military. There is near-unanimous agreement among those working in the intelligence field in Japan, the United States and South Korea that Kim Jong Un himself gave instructions for the torpedo attack and that Kim Jong Un may be even more dangerous than his father. As for the motive and background of the attack, theories abound. One is the revenge theory. This states that the attack was in retaliation for an encounter in the Yellow Sea in November 2009 between small navy ships of the two countries. Intelligence officials in Japan and South Korea believe Kim Yong Chol directly gave the order for the torpedo attack on the Cheonan that killed 46 sailors. Pyongyang wanted to punish “the arrogant attitude” of the administration of South Korean President Lee Myung-bak. Under a second theory, the attack was part of moves to create a myth around Kim Jong Un and his “brilliance” as a military tactician. A third theory is closely related to what is described as the prospect theory in psychology, in which unusual action is taken to break through uncertain and negative conditions. This theory states that an attack on the enemy provides a psychological cleansing effect for those living under a dark cloud for too long. Another theory can be dubbed “the Mafia theory.” A U.S. official handling North Korean intelligence said, “While the example may not be a good one, one test of whether an individual is a bona fide Mafia member is whether he can kill
people. Similarly, an individual may have tried something dramatic in order to be recognized as a loyal associate of Kim Jong Un. Yet another theory points to the need to shore up domestic unity for a successful transfer in leadership and draw public attention away from North Korea’s disastrous attempt at currency denomination last year. The torpedo attack created external tension that could be used to strengthen domestic control. There is also a theory that while North Korea was set on mounting a sneak attack, it blundered by never giving consideration to the possibility that fragments of the torpedo would be found and traced back to Pyongyang. The mission may have been shrouded in secrecy, but intelligence officials apparently picked up the movements of North Korean submarines before and after the torpedo attack. The biggest diplomatic loser from the incident is China, North Korea’s longtime ally. It is a case of “the tail (North Korea) wagging the dog (China)," according to John Park, a senior research associate at the United States Institute of Peace. In early May, when Kim Jong Il visited China, Chinese President Hu Jintao asked him about the incident. Kim Jong Il replied that Pyongyang was not involved. There are some in China who perceive North Korea as a strategic liability and are calling for more pressure to be applied on Pyongyang. However, Beijing’s Communist Party leadership cadre is standing adamantly behind North Korea. Beijing’s approach toward North Korea can be viewed as a Chinese-style sunshine policy that places priority on stability. Conversely, it could reflect China’s fears about the increasing instability of the North Korean regime. North Korea’s fragility lies in its unique elite structure. Ken Gause, a research analyst at the U.S. Center for Naval Analyses, said, "If the regime loses its ability to placate the elite through goods and services, there is a real chance for the creation of factions." Even "military warlords" could emerge, he said. China has rejected calls to enter into discussions with other countries about North Korea’s "instability scenario" on grounds it would only provoke North Korea and make Northeast Asia more unstable. However, a high-ranking Chinese government official told me privately that "China, Japan and South Korea should consider establishing a forum for an exchange of opinions toward a soft landing by North Korea." Perhaps, China is losing confidence in being able to rein in Pyongyang. It is no longer a viable policy to count on China to exert pressure on Pyongyang. Meanwhile, the United States is considering reinstating financial sanctions that were imposed during the administration of President George W. Bush. However, financial sanctions will directly hurt Kim Jong Il and his family as well as North Korea’s ruling elite. One high-ranking Pentagon official said, "Because of that, unless we are careful, it could trigger a military retaliation from North Korea." While some action must be taken in response to the Cheonan incident, it is enormously difficult to calibrate the level of pressure to apply on North Korea. Perhaps the stage has been set whereby the nations concerned need to initiate a quiet exchange of opinions about a future unification vision for the Korean Peninsula. This process would require those countries to first draw up a vision of a unified Korean Peninsula and then work together to create the environment and conditions to allow that to emerge. Kim Jong Un will not only gain power. He will also inherit a failed state, one which has nuclear weapons. It is inconceivable that the son would get rid of any nuclear weapons inherited from his father. (Funabashi Yoichi, “Dangers Lurk in N. Korea’s Leadership Transition,” Asahi Shimbun, July 10, 2010)
The National Unification Advisory Council, a presidential consultative organization, said the government should seek an exit strategy for the inter-Korean stalemate, including another summit through secret contacts. “It is urgent and important indeed to replace the armistice with a peace treaty to stop cross-border conflicts down the road as well as to clean up the vestiges of the Cold War,” said Baek Seoung-joo, senior researcher at KIDA. “To that end, building political and military trust between the two sides and resolving the North Korean nuclear issue are prerequisites.” (Lee Kwang-ho, “Korean War Not Ended Yet, Still Ongoing,” Vantage Point, August 2010, p. 5)

North Korea is ready to rejoin the six-party negotiations on its denuclearization, its state-run media said yesterday. But a senior government official in Seoul stressed today that the talks will remain stalled until Pyongyang apologizes for the March sinking of a South Korean warship, and proves its true willingness to denuclearize the Korean Peninsula. (Kim Young-jin, “Pyongyang Ready to Resume Six-Party Talks,” Korea Times, July 11, 2010)

The U.S.-led United Nations Command (UNC) appears set to meet with North Korean military officials Tuesday to discuss the sinking of the warship Cheonan, a Seoul official said. "Chances are high that the North-UNC meeting will take place," a senior South Korean defense official was quoted as saying by Yonhap News Agency. "A working-level meeting could be held on July 13 as proposed by the North or it could be scheduled for a later date than that." (Kim Young-jin, “UNC, N. Korea Set to Discuss Cheonan Sinking,” Korea Times, July 11, 2010)

The ruling coalition of the Democratic Party of Japan and People’s New Party lost its majority in Sunday’s House of Councillors election, the first national poll since the DPJ came to power last year. According to unofficial early election returns as of Monday morning, the DPJ had won 44 seats of 54 seats up for reelection. The DPJ’s coalition partner, the PNP, won 3 seats. In the election, 66 seats currently held by the ruling coalition, including 62 DPJ seats, were not contested. The ruling coalition needed to win more than 56 seats to retain a majority in the chamber. Kan had named 54—the number of the party’s seats contested in Sunday’s poll—as the DPJ’s minimum target for the upper house election. But the party could not achieve that goal. The LDP won 51 seats with 33 uncontested seats for a total of 84. It had 38 seats up for reelection. Your Party collected 11 seats; New Komeito won nine seats for a total of 19; the Japanese Communist Party had three seats for a total of 6; and the Social Democratic Party claimed two seats for a total of 4. In contrast to Your Party’s advance, the newly launched Sunrise Party of Japan and New Renaissance Party each gained one seat. Your Party leader Yoshimi Watanabe denied the possibility of forming a coalition with the DPJ but suggested cooperating with the ruling bloc on an issue-by-issue basis. “We won’t form a coalition, but we may cooperate on individual agendas,” he said. A consumption tax hike was the biggest bone of contention in the election. While the LDP called for raising the consumption tax rate to fund rising social security costs, the DPJ failed to provide a satisfactory explanation of the need to start discussions on a consumption tax hike, which apparently led to the Cabinet’s declining popularity. Despite the discouraging outcome, Naoto Kan expressed his resolve to stay on as prime minister. “I’d like to continue to manage the government, with the mindset that I
am again standing on the starting line," he told a press conference early Monday morning. However, there are growing calls within the party for Kan and other party executives to take responsibility for the unsatisfactory outcome. Kan’s tenure as DPJ president will expire in September. (Yomiuri Shimbun, “UpperHouse Election: Ruling Camp Loses Majority; Opposition LDP Makes Gains; Kan Says He’ll Stay on,” July 12, 2010)

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DoS Daily Briefing: “Q: China has called for earlier resumption of the six-party talks, and North Korea said they will make efforts for reopening of the talks. Any comment on that? Crowley: Well, there are specific things that North Korea has to do before we can envision a return to six-party talks. Most importantly, as we’ve said many, many times, having constructive relations with its neighbors, avoiding the kinds of provocative actions that we saw with the sinking of the Cheonan- those would be a good place to start. Q: Well, what do you mean by constructive relations with its neighbors? Crowley: Well, let me turn that around, Arshad. If you sink a ship - Q: … They just sank a ship, in your view. So why would you be talking - thinking about talking to them at all now? Crowley: Well, and I’m not saying that we are. There are things that North Korea has to do if it envisions coming back to six-party negotiations. Q: Like what? I mean, that’s my question. Like what? I mean, not sinking ships - Crowley: Well, ceasing provocative behavior would be one. Q: Okay. Crowley: Engaging constructively with its neighbors. I mean, North Korea has the opportunity to have dialogue with South Korea, for example, on security issues or economic issues. And - but the disregard for the interests of South Korea as evidenced in the Cheonan incident is a case in point. Other countries in the six-party process have their own set of issues. But it’s one thing for North Korea to say publicly it’s willing to come back to the six-party process. It’s quite another thing for North Korea to show affirmatively that it is prepared not only to come back to negotiations but to have those negotiations progress in some way. There are things that North Korea can do - actions, not words - that can demonstrate that there’s an earnestness to back up this public indication that they might be willing to talk. There’s more that they have to do. Q: Well, but the only specific thing that you’ve mentioned is security and economic talks with South Korea. Are those … the preconditions? Crowley: Hold on. From our standpoint, if North Korea wants to engage in the six-party process, there are specific commitments in the joint statement from 2005 that it can fulfill. Q: Like what? Crowley: It can take - it can take steps to restore confidence that it’s willing to seriously consider denuclearization. There’s no indication that North Korea is prepared to do that. And if they’re not prepared to show through affirmative actions a willingness to fulfill the - its existing commitments under the six-party process, that’s prepared to give up its nuclear program, then you have to ask the fundamental question of what are we going to talk about. North Korea - Q: You’ve never said that this was a precondition to get back to the talks. You want North Korea to get back to the talks. They’re not ready to come back to the talks. And that’s not - that’s - I mean, this Cheonan incident aside, that’s why you haven’t been talking. Crowley: Hang on a second. Q: There’s never been steps they have to take for you to sit down. Crowley: I think you’re misreading what we’ve been saying for the last several months. We are not willing to talk for the sake of talking. We are not going - as - to quote Secretary Gates, one of my favorite expressions, we’re not going to buy a horse more than once. If
North Korea wants to engage seriously in the six-party process, there are very specific actions that North Korea has to take first before we would consider a resumption of the six-party process. And as we've said many times over the past weeks and months, there are - that avoiding further provocative actions, setting a more stable and predictable environment in the region. But also, from our standpoint, showing that they're serious about fulfilling their commitments under previous agreements, those are the kinds of things that we want to see before we're going to agree to a restoration of the six-party process.” (Assistant SecState Philip Crowley, DoS Daily Briefing, July 12, 2010)

The North Korea military abruptly canceled a rare meeting with the U.S.-led United Nations Command that had been arranged to discuss the deadly sinking of a South Korean warship. The meeting, proposed last week by North Korea, had been scheduled for Panmunjom. But the North requested a delay in the talks for “administrative reasons,” the U.N. Command said in a statement. A new meeting time was not immediately proposed, it said. (Associated Press, “Military Cancels Talk on Sinking of Warship,” Washington Post, July 13, 2010, p. A-7) North Korea's representation at Panmunjom sent a message to the Military Armistice Commission of the UNC this afternoon proposing a meeting between the two sides at 10 a.m. July 15 at Panmunjom. (Yonhap, “N. Korea Proposes New Date for Colonel-Level Meeting with UNC,” July 13, 2010)

The United States will not send the aircraft carrier USS George Washington to the Yellow Sea for joint military exercises with South Korea, a senior Obama administration official said. “The carrier portion is expected to be in the East Sea,” the official said, asking anonymity. “There are many other exercises, including naval exercises that are part of this package. Some of them will take place in the Yellow Sea. Some of them will take place in the East Sea. They involve different exercise scenarios, different capabilities, different assets and different places.” China has repeatedly expressed concerns about joint exercises by South Korea and the U.S. near its own coast. There are allegations that the U.S. made a deal to listen to China regarding the Cheonan incident and joint drills in the Yellow Sea in return for China agreeing to new Security Council sanctions on Iran. The anonymous official denied such allegations. “We only consult with our allies about military exercises," he said. "We do not consult outside the alliance. There is no truth to the suggestion that somehow the decision about the shape of the exercise we do with the ROK is driven by consultation or diplomatic pressure from China.” Technical considerations drive the military planners to decide on the shape of the exercises, he said. "People just assumed that the Cheonan was sunk here so that is where the exercise has to be," the official said. “But that is not what the military planners proposed. They have many technical considerations that go into their planning. Their proposal was for this to take place off the east coast.” The official noted, “The George Washington just conducted a major combined exercise in the Yellow Sea seven or eight months ago. It has never exercised in the East Sea. That is one major consideration for the planners. "The other reason is that the George Washington has a schedule already," he said. "It is home-ported in Yokosuka (Japan). So the exercise on the Japan side means that they can spend more time training and less time just traveling.” The official said that the aim of the joint exercises is to send a
message to South Korea to "assure that the alliance is very strong and our joint resolve is strong." "These exercises are not about China," he said. "These are defensive exercises. And we are sending a message of deterrence to North Korea by demonstrating our capability and our readiness." (Yonhap, July 13, 2010, in Nelson Report, July 14, 2010) The Ministry of National Defense announced that it would take at least a week to finalize a decision over the South Korean-U.S. joint naval exercises planned in response to the Cheonan sinking, and that the location of the training would be considered in a flexible way without restricting it to the West Sea. "Up until last week, there had been talk between South Korea and the U.S. that the plan for the exercises would be decided around Monday or Tuesday of this week, but it seems that it will take at least a week," said Defense Ministry spokesman Won Tae-jae during a briefing today. "The timeline, scale, and methods of the exercises have not yet been decided." Won also issued statements in regards to the site of the exercises. "We do not think it is important that the exercises be carried out in specific waters, since their primary goal is to demonstrate South Korea and the U.S.’s defense preparedness in the wake of the Cheonan incident," said Won. "Since a number of factors must be taken into account in deciding the time, scale, and place, including the national security environment of the Korean Peninsula, South Korea-U.S. dialogue, and military effects, we need to be flexibly accommodating in regards to the training site." In other words, the ministry will not insist on holding the exercises in the West Sea, which has been a sensitive issue for China. On May 24, the Ministry of National Defense announced that it would be carrying out joint South Korea-U.S. exercises in the West Sea, the site of the Cheonan’s sinking, as a show of force directed at North Korea. (Kwon Hyeok-cheol, “Joint Naval Exercises May Be Relocated,” Hankyore, July 14, 2010) Over China’s opposition, the United States and South Korea will announce military exercises next week when Secretary of State Hillary Rodham Clinton and Defense Secretary Robert M. Gates are to travel to South Korea to meet their counterparts and President Lee Myung-bak, U.S. officials said on July 14. The statements by the State Department and the Pentagon put to rest weeks of speculation that the Obama administration was considering scaling down the planned war games because of fears that they would irritate China or inflame North Korea. Pentagon spokesman Geoff Morrell and State Department spokesman P.J. Crowley said that a portion of the exercises would occur in the Yellow Sea, which divides China from the Korean Peninsula. China’s Foreign Ministry spokesman, Qin Gang, had said last week that "we firmly oppose foreign military vessels and planes conducting activities in . . . China’s coastal waters." Crowley and Morrell said, however, that other exercises would be held in the Sea of Japan, on the eastern side of the Korean Peninsula and farther from China’s shores. "Obviously [the Chinese] are a regional power and a country . . . whose opinion we respect and consider," Morrell said. "But this is a matter of our ability to exercise in open seas, in international waters. Those determinations are made by us and us alone." Neither Morrell nor Crowley gave details of the planned exercises. China’s state-run media has reacted strongly to reports that the aircraft carrier USS George Washington would take part in the war games. Analysts have noted that China’s response to the planned exercises seems to be another example of a new tougher tone from Beijing. In October, the George Washington participated in an operation in the Yellow Sea with the South Korean navy, and China said nothing. Victor Cha, a former Bush administration official, said one main message of the war games
should be aimed at convincing the Chinese that “if they don’t like the exercises, they should do more to control North Korea.” But Michael O’Hanlon, at the Brookings Institution, said military maneuvers can be easily misinterpreted. "It’s hard to get the porridge not too hot or not too cold," he said. "It’s a pretty difficult form of communication." (John Pomfret, “U.S. and South Korea to Announce Joint Military Exercises,” Washington Post, July 15, 2010, p. A-10)

Diplomatic sources said North Korean foreign minister Pak Ui-chun is planning to attend the Asean Regional Forum on July 23 in Vietnam. It will be the first time since the ship’s sinking that foreign ministers from the six countries involved in denuclearization talks will meet. The other countries are South Korea, China, the U.S., Japan and Russia. Foreign ministers of 27 countries will be at the meeting. (Moon Gwang-lip, “North Backs out of Parley with U.N. Command,” JoongAng Ilbo, July 14, 2010)

South Korea, which has no oil reserves, derives 40 percent of its electricity from nuclear reactors and is running out of space to store the highly radioactive spent nuclear fuel. So the South Korean government wants to reprocess the used material – both to provide fuel for its next generation of fast-breeder reactors and to reduce its stored waste. But South Korea is prohibited from such activities under a 1974 agreement with the United States. The plutonium that results from reprocessing spent fuel can power nuclear reactors – which South Korea insists is its only goal – but can also be used to make atomic bombs, as North Korea has done. Washington wants to rein in the spread of reprocessing and enrichment as it grapples with North Korea and Iran over their nuclear programs. It retains some suspicions about South Korea, which briefly pursued nuclear weapons in the 1970s and experimented with reprocessing later. Allowing South Korea to reprocess or enrich the fuel, the United States fears, would set a precedent for other nations and give North Korea a pretext not to abandon its nuclear weapons program. “The Americans say no to recycling, but don’t offer an alternative,” said Lee Un-chul, a nuclear scientist at Seoul National University. “They think we might change our minds and build nuclear weapons, depending on the situation with North Korea. In short, they don’t trust us. This is frustrating. We have to fight.” That tug of war begins later this year when the two allies start renegotiating their nuclear treaty, which expires in 2014. South Korea is the site of the next nuclear security summit meeting, in 2012. According to local news reports, the South Korean government also wants to acquire a uranium enrichment capacity to make the traditional fuel for reactors – another activity banned by the 1974 accord because enriched uranium can also be used for weapons. South Korea’s ambition is tied to its drive to become a major exporter of nuclear reactors. In December, it won a $20 billion contract to build four nuclear plants in the United Arab Emirates. Possible options, according to analysts in the United States and South Korea, include sending South Korea’s spent nuclear fuel to another country, for instance to France, for reprocessing, or constructing a recycling plant in South Korea and placing it under multinational control for security. “It’s really our responsibility to work cooperatively with other governments to find ways that the benefits of the peaceful use of nuclear power can be obtained without leading to dangerous fuel-cycle activities proliferating,” said Daniel B. Poneman, the United States deputy secretary of energy, in Seoul last month. South Korean engineers are
championing a new technology called pyroprocessing, which the Bush administration endorsed. They call it “proliferation-resistant” because the plutonium produced through pyroprocessing is not pure and cannot be used directly for nuclear weapons. Skeptics say the technology is far more dangerous than leaving the spent fuel intact in storage because a country with South Korea's nuclear expertise could quickly turn pyroprocessed plutonium into weapons-usable material should it decide to break out of the nonproliferation treaty. “The question of whether pyro is reprocessing is a political one, not a technical one,” Sharon Squassoni, director of the Proliferation Prevention Program at the Center for Strategic and International Studies in Washington, said in an e-mail message. Miles A. Pomper, senior research associate at the James Martin Center for Nonproliferation Studies at the Monterey Institute of International Studies, said, “As far as the U.S. government is concerned, I believe this debate is over and pyroprocessing is not considered a different animal than reprocessing.” South Korea also feels constrained by its 1992 joint declaration with North Korea, which banned both Koreas from enrichment or reprocessing. Cheon Seong-whun, senior analyst at the government-run Korea Institute for National Unification in Seoul, said that the South should jettison the agreement as a matter of principle because the North had violated it. But if it does, warned Lee Byong-chul, senior fellow at the Institute for Peace and Cooperation, South Korea would come under “tremendous international suspicion and misunderstanding.” Washington is wary of South Korea's motives. Seoul embarked on its short-lived nuclear arms program in the early 1970s when President Richard M. Nixon reduced the number of American troops in South Korea to 40,000 from 60,000. In 2004, South Korea revealed to the International Atomic Energy Agency that its scientists had dabbled in reprocessing and enrichment without first informing the agency. “We are not the South Korea of old days,” Cheon said. “We will never build nuclear weapons as long as the United States keeps its alliance with us. The Americans continue to look at us through the old lens.” Ellen Tauscher, the United States under secretary of state for arms control and international security, told Congress last year that the Obama administration did not believe that advance consent to reprocess was “necessarily appropriate” for countries like South Korea. But, Squassoni said, “It’s a tough call” because the Bush administration did give India advance consent. “It is understandable why Seoul would be frustrated that India, a non-NPT state, would be given this deal while South Korea, a loyal U.S. ally and NPT member now in good standing, would face resistance from Washington,” said Mr. Pomper of the Monterey Institute. South Koreans’ sensitivity over how their country is treated by the United States, whose recognition and respect often affect their national pride, is perhaps the thorniest issue negotiators from both sides face. After North Korea’s second nuclear test last year, calls for “nuclear sovereignty” resurfaced among some right-wing politicians. The administration of President Lee Myung-bak is keeping its distance from them as it prepares for the delicate talks with Washington. “Nationalism and talk of nuclear sovereignty don’t help,” said Lee Byong-chul, the institute fellow. “It all comes down to whether the United States trusts South Korea. Seoul must convince Washington that it will never build nuclear weapons.” (Choe Sang-hun, “U.S. Wary of South Korea’s Plan to Reuse Nuclear Fuel,” New York Times, July 13, 2010, p. A-4)
Military officers from the U.S.-led United Nations Command (UNC) and North Korea have agreed “in principle” to hold general-level talks, an official at the UNC said. Today’s colonel-level meeting “lasted for approximately one-and-a-half hours, with both sides offering proposals for general officer talks. Both sides agreed to confirm details of the proposed follow-up talks after consulting with their respective superiors,” the UNC said in a press statement. “After consulting with their superiors, each side will decide whether to directly hold general-level talks or a new round of colonel-level meeting for more discussions,” the UNC official said. "It means that the two sides agreed in principle to hold general-level talks." Today’s meeting at the border village of Panmunjom was led by UNC Col. Kurt Taylor and Col. Pak Ki-yong of the North. Since 1998, the UNC and North Korea have held the general-level talks as a channel to ease tensions. If the two sides agree to hold such talks, they will be the 17th of their kind, the UNC said. (Kim Deok-hyun, “U.N. Command, N. Korea Agree to Work toward General-Level Talks,” Yonhap, July 15, 2010)

KCNA: “A DPRK-U.S. military senior colonel (colonel)-level working contact was made in Panmunjom on [July 15] for the purpose of probing the truth behind the case of warship “Cheonan’s” sinking in a fair way. At the contact both sides discussed working procedural matters for opening the DPRK-U.S. military general-level talks in Panmunjom concerning the “Cheonan” case. Agreed at the contact were such technical matters as the date and venue of talks and the formation of delegations. Both sides also agreed to adopt “On probing the truth behind ‘Cheonan’ case in an objective and scientific way” as the agenda of the talks.Clarifying the principled stand that field investigation by an inspection group of the National Defense Commission of the DPRK should precede under any circumstances to ensure the successful opening of the general-level talks as an agreement was reached on technical matters including the agenda of the talks, the Korean People’s Army side stressed as follows at the contact: Voices skeptical about and critical of the “results of investigation” into the “Cheonan” case, an unprecedented anti-DPRK conspiratorial farce orchestrated by the south Korean puppet authorities, are heard not only from south Koreans but also from members of the “joint investigation team”.The UNSC recently concluded the discussion on the “Cheonan” case by publishing a “presidential statement” devoid of substance, a clear proof of the lack of scientific accuracy and objectivity of the “results of investigation” announced by the south Korean puppet authorities. The U.S. forces side proposed talks, asserting that it conducted “a special investigation” into the case, but the DPRK side, its dialogue partner, has not yet been to the scene of the incident, much less conducting investigation. It is elementary practice for the parties concerned to conduct investigation before handling a case at the talks. If the U.S. forces side is truly interested in the settlement of the case, there is no reason for it to refuse the DPRK’s proposal as it is entirely in line with the purport of the DPRK-U.S. military general-level talks for the fair solution of the “Cheonan” case. The U.S. forces side’s refusal of the DPRK’s just proposal would render the distrust and stand-off between the two sides more acute and the situation in and around the Korean Peninsula tenser. The DPRK side will closely follow how the U.S. forces side will handle the issue of the NDC inspection group’s field investigation, the KPA side said, strongly urging the U.S. forces side holding the prerogative of the supreme command over the south Korean army to fully fulfill its responsibility. The U.S. forces side, however,
insisted on “informing the results of investigation into the case” representing the wrong stand of the south Korean puppet authorities only throughout the contact. The KPA side reiterated the stand that the NDC inspection group’s field investigation should take place first under any circumstances in order to probe the truth behind the case. Both sides agreed to hold the second round of the DPRK-U.S. military senior colonel-level working contact concerning the “Cheonan” case in Panmunjom around July 20.” (KCNA, “DPRK-U.S. Military Working Cintact Made,” July 15, 2010)

North Korean doctors perform operations without anesthesia in clinics where hypodermic needles are not sterilized and sheets are not washed, the human rights group Amnesty International said in a report released today. “Five medical assistants held my arms and legs down to keep me from moving,” the report quoted a 24-year-old North Korean defector as saying, describing how his left leg was amputated without anesthesia after a train accident. “I was in so much pain that I screamed and eventually fainted from pain.” Other defectors told similarly horrific stories. One said her appendix was removed without anesthesia and her hands and feet were bound to prevent her from moving during the procedure. Others told of entire cities with no ambulances. Drawn from interviews with more than 40 North Koreans who had defected over the past six years, as well as with health professionals who had worked with North Koreans, the report depicted a North Korean health system in dire straits. “The North Korean people are in critical need of medical and food aid,” said Catherine Baber, Amnesty International’s deputy director for the Asia-Pacific. “It is crucial that aid to North Korea is not used as a political football by donor countries.” North Korea claims that it offers free medical service for all its people. But in reality, patients have had to pay their doctors with cash, cigarettes, alcohol and food since the 1990s, the 50-page report said. “Many North Koreans bypass doctors altogether, going straight to the markets to buy medicine, self-medicating according to their own guesswork or the advice of market vendors,” it said. “The North Korean authorities recently banned a highly addictive narcotic painkiller that many North Koreans routinely used as a cure-all.” As some North Koreans resorted to eating grass, tree bark and roots, tuberculosis has made a comeback in North Korea, Amnesty International said. (Choe Sang-hun, “North Korea Urgently Needs Food and Medicine, Rights Group Says,” New York Times, July 16, 2010, p. A-4) The World Health Organization found itself in the strange position of defending North Korea’s health care system from an Amnesty International report, three months after WHO’s director described medicine in the totalitarian state as the envy of the developing world. WHO spokesman Paul Garwood insisted he wasn’t criticizing Amnesty’s work, but the public relations flap illustrated an essential quandary for aid groups in unfree states: how to help innocent people without playing into the hands of their leaders. Garwood said yesterday’s report by Amnesty was mainly anecdotal, with stories dating back to 2001, and not up to the U.N. agency’s scientific approach to evaluating health care. “All the facts are from people who aren’t in the country,” Garwood told reporters in Geneva. “There’s no science in the research.” The issue is sensitive for WHO because its director-general, Margaret Chan, praised the communist country after a visit in April and described its health care as the “envy” of most developing nations. But whereas Chan had noted that North Korea “has no lack of doctors and nurses,” Amnesty said some people had to walk two hours to get to a hospital for surgery. Chan cited the government’s “notable public health
achievements," while Amnesty said health care remained at a low level or was "progressively getting worse." "We are an organization dealing with member states, and we respect the sovereignty of all countries," WHO spokeswoman Fadela Chaib said. "We need to work there to improve the lives of people." (Bradley Klapper, "WHO Criticizes Amnesty Report into N. Korea Health," Associated Press, July 16, 2010)

7/16/10

North Korea has transferred operations of state-controlled companies and disassembled arms before smuggling them abroad, among other moves, to evade international sanctions, according to a final report compiled by a U.N. expert panel. The report, a copy of which Kyodo obtained today, says the designations by the U.N. Security Council Sanctions Committee on North Korea of eight companies and five individuals for financial sanctions "seriously understate the number of known entities and individuals engaged in proscribed activities." It also says the designations are "inadequate to the task of effectively inhibiting key DPRK parties from engaging in proscribed activities." For example, Green Pine Associated Co. replaced Korea Mining Development Trading Corp., one of the eight entities subject to financial sanctions, and is now responsible for about half of North Korea's arms and related material exports, it said. Green Pine Associated is under control of the General Bureau of Surveillance of the Korean People's Army, according to the report. The report also mentioned a case in which North Korea tried to smuggle Soviet-made tanks to the Democratic Republic of Congo. In this case, the tanks were disassembled into small pieces, loaded onto a British-registered cargo ship owned by a French company at a port in Dalian, China, and reloaded onto a Liberian-registered vessel at a port in Malaysia with a freight list of repair parts for bulldozers, according to the report. North Korea dispatched engineers to the Democratic Republic of Congo to reassemble these pieces into tanks, it said. (Kyodo, "N. Korea Takes Various Steps to Evade Sanctions: U.N. Panel," July 16, 2010)

7/17/10

The military and the Agency for Defense Development have developed a cruise missile with a range of 1,500 km and deployed it warfare-ready. The August issue of Chosun monthly quoted a military officer as saying the ADD began research and development for the Hyunmu-3C, a surface-to-surface cruise missile, in 2008, and has started mass-producing it. Hundreds of them will be deployed warfare-ready at an Army unit on the central frontline this year. So far only the Hyunmu-3A, with a range of 500 km, and the Hyunmu-3B, with 1,000 km, were deployed. The Hyunmu-3C brings North Korean nuclear and other major facilities like Scud and Rodong missile bases in South Pyongan, Kangwon, and South Hamgyong Provinces within range of the South Korean Army. The Hyunmu-3 series are being mass-produced by LIG Nex1. The Hyunmu-3C is 6 m long and 53-60 cm in diameter and weighs 1.5 tons. It is equipped with an aircraft jet engine. It can fly at a speed of slightly less than Mach 1, or 1,260 km/h and carries a 450 kg warhead. Its accuracy is within 1-2 m. The missile is said to be equal in terms of functions to the U.S.-developed Tomahawk cruise missile. "Deployment of the Hyunmu-3 missiles will enable precision strikes against North Korea's missile bases and bunkers in the early stages of any war," the officer added. "Until recently the range of South Korean missiles fell far short of major targets in the North, but with the new missiles we've overcome the disadvantage." Only six other countries -- the U.S., the
U.K., France, Russia, China and Israel -- have cruise missiles with a range of more than 500 km, and only three -- the U.S., Russia and Israel -- have missiles with a range of 1,500 km or more. (Chosun Ilbo, “Seoul Deploys Home-Gerown Cruise Missiles,” July 19, 2010)

7/?/10

A few months after my interview in her [Clinton’s] office, another split emerged when Obama picked up a secure phone for a weekend conference call with Clinton, Gates and a handful of other advisers. It was July 2010, four months after the North Korean military torpedoed a South Korean Navy corvette, sinking it and killing 46 sailors. Now, after weeks of fierce debate between the Pentagon and the State Department, the United States was gearing up to respond to this brazen provocation. The tentative plan – developed by Clinton’s deputy at State, James Steinberg – was to dispatch the aircraft carrier George Washington into coastal waters to the east of North Korea as an unusual show of force. But Adm. Robert Willard, then the Pacific commander, wanted to send the carrier on a more aggressive course, into the Yellow Sea, between North Korea and China. The Chinese foreign ministry had warned the United States against the move, which for Willard was all the more reason to press forward. He pushed the chairman of the Joint Chiefs of Staff, Mike Mullen, who in turn pushed his boss, the defense secretary, to reroute the George Washington. Gates agreed, but he needed the commander in chief to sign off on a decision that could have political as well as military repercussions. Gates laid out the case for diverting the George Washington to the Yellow Sea: that the United States should not look as if it was yielding to China. Clinton strongly seconded it. “We’ve got to run it up the gut!” she had said to her aides a few days earlier. (The Vince Lombardi imitation drew giggles from her staff, who, even 18 months into her tenure, still marveled at her pugnacity.) Obama, though, was not persuaded. The George Washington was already underway; changing its course was not a decision to make on the fly. “I don’t call audibles with aircraft carriers,” he said – unwittingly one-upping Clinton on her football metaphor. (Mark Landler, “How Hillary Clinton Became a Hawk,” New York Times, April 24, 2016)

7/18/10

FM Yu Myung-hwan said that now was not the time to discuss the six-party talks laden with North Korean preconditions. Appearing in a policy discussion on KTV, Yu said North Korea is saying it will discuss the nuclear issue only if the issue of a peace treaty is also discussed, and is calling for the six-party talks to be held on an equal footing. Yu said this, however, was a demand that would render the U.N. Security Council Resolution 1874 powerless, passed after North Korea’s second nuclear test. He said North Korea’s sudden talk of the six-party talks was an unfortunate attempt to use the talks as a means to dodge world interest in the sinking of the Cheonan. (Lee Jae-hoon, “Now Is Not the Time for Six-Party Talks’ Says Foreign Minister,” Hankyore, July 19, 2010)

7/19/10

President Barack Obama is considering a reversal of North Korean policy by allowing New Mexico Governor Bill Richardson to accept an invitation to visit Pyongyang, multiple diplomatic sources told JoongAng Ilbo yesterday. The sources based here said Han Song-ryol, deputy North Korean ambassador to the United Nations, invited Richardson in May to visit the communist state to discuss various diplomatic issues, including the sinking of the Cheonan. “I'm aware that the North Korean side told
Richardson it is willing to consider expressing regrets or making an ameliorating statement about the Cheonan incident if he visits Pyongyang,” a source said. “The North Korean government is seeking a chance to turn around the situation through Richardson since it’s been driven to a corner after the Cheonan attack. “The North’s tactic resembles its actions in the case of the two American journalists who were released in August last year after former U.S. President Bill Clinton paid a visit to Pyongyang,” the source said. (Kim Jung-wook, “Obama May Send Richardson on North Korea Trip,” JoongAng Ilbo, July 19, 2010)

The United States dismissed reports that it is considering sending New Mexico Governor Bill Richardson to North Korea to discuss a possible breakthrough in U.S. relations with the North. “The United States is not considering sending Governor Richardson to North Korea,” State Department spokesman Philip Crowley. “We’re always prepared to talk,” Crowley said. “But there are some definite steps that we have to see from North Korea before that becomes possible. So I think we agree fully with the South Korean foreign minister that there are conditions and obligations that North Korea has to demonstrate a willingness to tackle before we’ll consider having a follow-on conversation.”A senior Obama administration official, asking anonymity, also said, “The report is inaccurate. There is no consideration being given by the administration to sending Richardson to North Korea.” Talk of Richardson’s Pyongyang trip comes as the U.S. has repeatedly called on North Korea to release Aijalon Gomes, 30, of Boston, an American held for months for illegal entry, on humanitarian grounds. “I don’t think we have any particular mission to North Korea,” a senior administration official said. “The Swedish ambassador met again today with Mr. Gomes. We continue to have discussions with North Korea as we on a regular basis encourage them to release him.” (Hwang Doo-hyong, “Obama Not to Send Gov. Richardson to Pyongyang: State Dept.,” Korea Herald, July 20, 2010)

The United States appears to have backed off considerably from its calls for strict measures against North Korea over the March sinking of a South Korean warship. According to sources, Washington has been quietly approached by Beijing to persuade Seoul to show restraint in its response toward Pyongyang, and to refrain from broadcasting military propaganda over loudspeakers near the fortified border and not to conduct provocative war games. Washington’s sudden about-face is forcing Seoul to tone down its retaliation plans against Pyongyang, which South Korea says is behind the sinking. Some within the Seoul government have acknowledged that the country may have lost a major diplomatic battle. Washington and Seoul initially made preparations for a joint drill involving a U.S. nuclear aircraft carrier battle group in early June. However, the U.S. administration apparently had second thoughts and Washington postponed the exercises until mid-July and then moved them further back to the end of this month. A U.S. carrier is still expected to participate in exercises to be held in the Sea of Japan. Seoul was also forced to rethink its plans on the use of loudspeakers set up at 11 locations along the demilitarized zone after both Beijing and Washington expressed apprehension. Unless North Korea carries out new provocations, Seoul will suspend plans to resume broadcasts. Meanwhile, sources said that South Korea had unofficially lobbied the United States to put North Korea back on its list of state sponsors of terrorism. Although the U.S. side said such a reinstatement would be difficult, officials said they would consider creating specific financial sanctions against North Korea. South Korean officials say they hope to reconfirm

The Defense Department announced that an aircraft carrier, the George Washington, would arrive in the South Korean port of Busan on July 21 as the United States and South Korea prepared for joint military exercises meant to be a show of strength against North Korea. Defense Secretary Robert M. Gates arrived in Seoul to make final plans for the exercises with Secretary of State Hillary Rodham Clinton and their South Korean counterparts. Speaking to American troops on the morning of July 20, Gates said the military exercises would be a “signal of deterrence to the North.” He said they would involve 18 ships -- 10 American and 8 South Korean -- and “a lot of aircraft.” U.S. defense officials declined to say specifically how the George Washington would play a role in the exercises. The George Washington will be in South Korea “as an additional manifestation of our steadfast commitment to the security of the Republic of Korea,” Geoff Morrell, Pentagon press secretary, told reporters traveling with Gates. Defense officials said it was not unusual for a Nimitz-class carrier to operate in the area, and Morrell said the George Washington visited the Yellow Sea as recently as October. Three destroyers from the George Washington’s strike group -- the McCampbell, the John S. McCain and the Lassen -- are also expected to visit South Korean ports. The United States is going ahead with the exercises despite concerns from China, which considers them too close to its coastal area on the Yellow Sea and therefore a form of intimidation. As for a possible role for the George Washington, Morrell said the United States reserved the right to conduct operations where it wished. “We respect China’s opinion on a host of matters, but when it comes to our ability to operate in international waters, we make decisions based on what is good for us and good for us alone,” Morrell said. The nuclear-powered George Washington, which departed from its forward operating base at Yokosuka, Japan, on July 9, can accommodate more than 6,000 crew members and about 80 aircraft, and has a flight deck that stretches more than four acres. (Elizabeth Bumiller, “Major Ship in U.S. Fleet Will Visit South Korea,” New York Times, July 20, 2010, p. A-9) The United States and South Korea announced on Tuesday that a series of large-scale military exercises would begin next week in the waters off Japan and Korea, despite objections from China. The exercises are meant as a show of force and “first step” in trying to deter North Korea from acts of aggression in the region. The exercises, to be conducted from Sunday to Wednesday, are to include an American aircraft carrier, the George Washington, as well as some 20 ships and submarines, 100 aircraft and 8,000 men and women from the American and Korean armed services. Adm. Robert F. Willard, the commander of the United States Pacific Command, acknowledged to reporters in Seoul that there was no guarantee that the show of force would stop North Korea from repeating what an international investigation concluded was the sinking of South Korean warship, the Cheonan. But he said that “the choice that our respective commanders in chief have made is a show of force is a first step in deterring North Korea from doing this again.” Later exercises are to be conducted in the Yellow Sea, which is on the other side of the Korean Peninsula, but Admiral Willard and American defense officials would not say whether they would include the George Washington, a nuclear-powered, Nimitz-class aircraft carrier that is one of the largest warships in the world. China has objected that the exercises will be
too close to its coastal area on the Yellow Sea and therefore a form of intimidation, but Admiral Willard dismissed the Chinese reaction. Asked if he was concerned, Admiral Willard replied: “No, I’m not concerned. If I have a concern vis-a-vis China, it is that China exert itself to influence Pyongyang so that incidents like the Cheonan don’t happen in the future.” Elizabeth Bumiller, “U.S. and South Korea Plan Naval Drill as a Message,” New York Times, July 21, 2010, p. A-8) South Korea and the U.S. will conduct a joint military exercise in the East Sea from Sunday through Wednesday next week to show off their combined military might against North Korea, which the allies hold culpable for the March 26 sinking of the corvette Cheonan. The maritime and air readiness exercise, dubbed “Invincible Spirit,” will be staged to “highlight the alliance resolve to face any threat North Korea poses,” the South’s Joint Chiefs of Staff and the U.S. Forces Korea said. Four F-22 Raptor stealth fighter jets will also take part in this month’s drill, flying training missions around Korea for the first time.

It will be the first time the top U.S. diplomatic and defense chiefs visit the DMZ together. “Secretary Clinton and I, along with our Korean counterparts, will visit the DMZ to highlight how important operations there are to the security of the peninsula as well as the region and demonstrate our steadfast commitment to South Korea,” Gates said during his visit to Camp Casey, a U.S. base in Dongducheon, Gyeonggi Province. (Song Sang-ho, “Allies to Hold Drill in East Sea Next Week,” Korea Herald, July 20, 2010) China’s foreign ministry spokesman has said U.S.-South Korean naval exercises in the Yellow Sea would raise tensions in the area and threaten Chinese vital interests, including its sovereignty, territorial integrity and economic development. Admiral Mullen told reporters on his aircraft that is not the goal of the maneuvers. “Nobody, the United States and certainly those who live in the region, want to see any kind of conflict break out,” he said. The admiral echoed other U.S. officials who have said the exercises are a response to what he calls “completely unacceptable” North Korean behavior that is outside “international norms.” He says the exercises are designed to improve capabilities and deter further North Korean aggression. And, the admiral says they will not be canceled because of China’s concerns. “The Yellow Sea, specifically, is an international body of water. And the United States always reserves the right to operate in those, in international waters. And certainly, I hear what the Chinese are saying with respect to that,” he said. "But in fact we have exercised in the Yellow Sea for a long time and I fully expect that we’ll do so in the future." At the East-West Center at the University of Hawaii, Northeast Asia analyst Denny Roy says the U.S.-South Korean decision to hold naval exercises in the area runs directly counter to China’s world view. He says China’s strong words about the planned exercises reflect increasing assertiveness about an issue its leaders see as extremely important to their country’s future, ending U.S. military dominance in the Western Pacific and turning the area into a Chinese sphere of influence. "I think ultimately the Chinese view of the Asia-Pacific region in which China is a great power doesn’t have much room for the degree of American influence in that region that we see today,” said Roy. "We may see ourselves on a collision course between Chinese perceived core interests and American perceived core interests. If the United States and China have a different interpretation as to what’s to be permissible in a place where our spheres of influence in effect overlap, this not only is an issue that’s not going to go away soon, but we may be seeing an intensification of it over the next few years." Indeed, former Bush Administration official Stephen Yates says China cannot expect to impose its views on
U.S. military activity in the Western Pacific, particularly considering that it is the only major supporter of the country creating the tension in the region - North Korea. "China needs to see that there are strategic consequences for its support for North Korea. It doesn't really get a free pass in enabling North Korea economically and diplomatically and watering down sanctions and other kinds of efforts to punish North Korea for violating international agreements and upsetting the security environment in East Asia," said Roy. "And, it doesn't also get to dictate to our allies what they can or cannot do, in terms of supporting their sovereign territory and their rights." Professor Clark Sorensen, chair of the Center for Korea Studies at the University of Washington, agrees, but he says the United States also has to be careful how it asserts its rights in the region. "It's a big dilemma for the United States because, on the one hand, we want to avoid turning China into some kind of an enemy, but on the other hand, China has been facilitating North Korean behavior in ways that make it very difficult for the U.S. on the Korean Peninsula," said Sorensen.Still, at the East-West Center, Roy says the United States and China have an interest in resolving their differences over regional security. "Both sides do also have an equally strong interest in maintaining a constructive bilateral relationship," said Roy. "So one hopes that the overall consideration of the need for a constructive relationship acts as a moderating force on some of the arguments pushing toward more assertive activities in the bilateral relationship." Admiral Mullen says that is why the United States wants to resume normal military relations with China, which the Chinese froze last year after the latest U.S. arms sale to Taiwan."I think that's very important, in terms of our ability to understand each other, deal with the tough issues, agree in certain areas and agree to disagree in others, but at least having those conversations is really vital," he said. China has given no indication it is ready to resume routine military relations and analysts say, if the U.S.-South Korean naval exercises proceed as expected, the prospect will likely be set back even further." (VOA, quoted in The Nelson Report, July 20, 2010) The United States "is engaging in an increasingly tight encirclement of China and constantly challenging China's core interests," Read Adm. Yang Yi, former head of strategic studies at the PLA's National Defense University, wrote in the PLA Daily in Agugust. "Washington wil inevitably pay a costly price for its muddle decision." (Michael Wines, "China Shows Sterner Mien to U.S. Forces," New York Times, October 12, 2010, p. A-1)

7/20/10

The United States may implement additional sanctions on North Korea in response to the sinking of a South Korean warship, South Korean Foreign Minister Yu Myung-hwan said. "Considering the threat to the stability of the Korean peninsula from the Cheonan incident, the U.S. is considering additional sanctions against the North," Yu said on YTN TV. (Jack Kim, “U.S. Reviewing More Sanctions on North Korea: South,” Reuters, July 20, 2010)

Kim Hyon Hui, a former North Korean spy responsible for the 1987 fatal bombing of a South Korean passenger jet, arrived before 4 a.m. at Tokyo’s Haneda airport on a Japanese government-chartered flight from South Korea to meet with the families of Japanese abducted by North Korean agents. The trip is Kim’s first outside South Korea, where she lives now, since she was convicted of the bombing and subsequently freed in 1990 under a presidential pardon, with the Japanese government giving her a
special permit for entry. The 48-year-old Kim was transported to former Prime Minister Hatoyama Yukio’s country house in Karuizawa, Nagano Prefecture. Kim is also expected to stay in Tokyo during her four-day trip. PM Kan Naoto told reporters in the evening he hopes Kim’s visit to Japan ‘will help lead to the whole truth about the abductions and the rescue of the victims at the earliest possible date.’ Iizuka Shigeo, the 72-year-old brother of one of the abductees, Taguchi Yaeko, and her 33-year-old son Iizuka Koichiro visited the vacation house this afternoon to meet with Kim. (Kyodo, “Ex-N. Korean Jet Bomber Kim Arrivesd in Japan to Meet Abductees' Kin,” July 20, 2010) Former North Korean agent Kim Hyon Hui met Wednesday with the parents of Yokota Megumi, one of the Japanese abducted by Pyongyang, while telling family members of another abductee that she saw several people in North Korea who a Japanese organization suspects were abducted by the North while she was still in the country. The closed meeting between the 48-year-old Kim and Shigeru Yokota, 77, and his wife Sakie, 74, lasted about three hours and 40 minutes and centered on Megumi’s life in North Korea, according to sources close to the matter. Yokota’s twin brothers, Takuya and Tetsuya, both 41, were also there. Kim told Iizuka Shigeo, the 72-year-old brother of another abductee Taguchi Yaeko, and her 33-year-old son Iizuka Koichiro that she saw some of the faces that appear on a poster of possible abductees, Koichiro told reporters after the two met with Kim yesterday and today. Shigeo, who heads the abductee families’ group and the National Association for the Rescue of Japanese Kidnapped by North Korea, and Koichiro gave the poster made by the Investigation Commission on Missing Japanese Probably Related to North Korea to Kim in March last year when the three met for the first time in Busan, South Korea. Kim said she has passed on the information to the Japanese government while not specifying details such as the number of possible abductees, according to Koichiro. Kim, who was sentenced to death in South Korea over the fatal 1987 bombing of a South Korean passenger jet, before being pardoned and freed, arrived Tuesday in Japan on a Japanese-government chartered flight for a four-day visit. Tokyo gave her a special permit for entry. Kim has never returned to North Korea since the bombing. She reportedly learned Japanese language and culture from Taguchi who was abducted in 1978 at the age of 22. In yesterday’s meeting with Shigeo and Koichiro, Kim repeatedly said she believes Taguchi is still alive and that she will come back home. Pyongyang claims she died in a traffic accident in 1986. Tokyo has said at least 17 Japanese were abducted to North Korea in the late 1970s and early 1980s. Five of them were repatriated in 2002 but the whereabouts of the others remain disputed. (Kyodo, “Kim Meets Yokota’s Parents, Separately Says She Saw Abductees,” July 21, 2010)

North Korea executed a former Cabinet official who was in charge of talks with South Korea. Kwon Ho Ung - Pyongyang’s chief delegate from 2004 to 2007 for high-level talks with the South’s then liberal government - was executed by firing squad, Dong-a Ilbo said, citing an unidentified source in Beijing knowledgeable about the North. South Korean Unification Ministry spokeswoman Lee Jong-joo said she could not confirm the report, and the National Intelligence Service, South Korea’s top spy agency, said it was checking it. The two Koreas held Cabinet-level talks - the highest regular dialogue channel between them - several times a year to discuss boosting exchanges and easing tension across the world’s most heavily fortified border. The last
round was held in 2007. Kwon was the former chief councilor of the North’s Cabinet, but it was not clear what about his policy would have prompted his execution. (Associated Press, “North Korea Reportedly Executes Former Official,” July 20, 2010)

The U.S. may be entering “a dangerous new period” with North Korea marked by military provocations designed to advance its political goals, James Clapper, President Barack Obama’s nominee for intelligence chief said. That threat is the “most important lesson” for the U.S. intelligence community to take from North Korea’s sinking of a South Korean warship, Clapper told the Senate Intelligence Committee in written testimony for his confirmation hearing yesterday. “We may be entering a dangerous new period when North Korea will once again attempt to advance its internal and external political goals through direct attacks on our allies in the Republic of Korea,” said Clapper, who was head of intelligence for U.S. Forces Korea and the Pacific Command in the mid-1980s. (Tony Capaccio, “U.S. Spy Chief Nominee Clapper Sees Rising Danger in North Korea Relations,” Bloomberg News, July 20, 2010)

Cheong Wa Dae named 15 new presidential secretaries, following the nominations of their direct supervisors last week. Lee Hyuk, diplomatic minister to Japan, was named the new presidential secretary for foreign affairs. (Korea Herald, Chang Wa Dae Names New Presidential Secretaries,” July 20, 2010)

The North Korean government reopened a South Korean-built hotel and restaurant that caters to tourists, Choson Sinbo, reported on August 7. It said that the Mount Kumgang Hotel opened July 20 and that “the road to enjoy tourism has been opened ... to foreign as well as domestic tourists.” The North also opened the Mokrangwan, a restaurant at the Mount Kumgang resort. The hotel is a North Korean facility leased on a long-term basis to Hyundai Asan. The South Korean company is currently the sole holder of the facilities’ usage rights. A source from Hyundai Asan said he had not heard any news of the resumption of tourism at Mount Kumgang and although “it is difficult to come up with a response [to North Korea], the situation is being monitored.” (Christine Kim, “North Korea Reopens Resort Hotel, JoongAng Ilbo, August 9, 2010)

Searching for new ways to punish North Korea after blaming it for sinking a South Korean warship in March, the Obama administration announced Wednesday that it will strengthen existing sanctions against the North and impose new restrictions on its weapons trade and trafficking in counterfeit currency and luxury goods. Administration officials traveling here with Secretary of State Hillary Rodham Clinton and Defense Secretary Robert M. Gates offered few details of what seemed a hastily put-together addition to previously announced warnings and measures reflecting displeasure. It was unclear Wednesday what effect, if any, the new sanctions would have. North Korea is already the most isolated country in the world, with heavy U.S. and U.N. restrictions against financial and military dealings with it. Senior administration officials told reporters traveling with Clinton, whose week-long trip to Asia ends Friday in Vietnam, that they are still examining new types of sanctions. They said they are paying particular attention to illegal trade in counterfeit cigarettes, liquors and “exotic foods” that are a lucrative source of income for the North Korean elite. At a news conference
with Gates and South Korea’s defense and foreign ministers, Clinton said the goal of
the sanctions was to “target [North Korea’s] leadership, to target their assets.” The
officials said they would also seek to further tighten North Korean dealings with
international banks, using the banks’ fear of “reputational risks” as well as specific
measures that would cut them off from U.S. financial institutions. Analysts generally
agree that the most successful round of sanctions against North Korea occurred in
2005, when the U.S. Treasury designated the Macao-based Banco Delta Asia as a
money-launderer of North Korean illicit assets. Banks across the world cooperated,
worried that the Treasury Department would block them from doing business with the
United States. North Korea returned to the six-party talks on its nuclear weapons
program, but its price was $25 million held by Banco Delta Asia. It took the Treasury
Department five months to find a bank willing to wire the money to Pyongyang. (Craig
Whitlock and Karen DeYoung, “U.S. to Strengthen Sanctions against N. Korea after
reminiscent of the freezing of $24 million of North Korean assets in Banco Delta Asia in
2006. One banker with experience in North Korea thought it unlikely that the U.S.
could exert much leverage: “Most of the financing is done with China and I do not
think they are too vulnerable to the U.S.” (Geoff Dyer and Christian Oliver, “U.S.

The United States has already begun quietly freezing assets in North Korean accounts
at about 10 banks around the world, diplomatic sources familiar with the situation told
the JoongAng Ilbo yesterday. “The U.S. Treasury Department and intelligence
authorities began looking into about 200 bank accounts that showed suspicious
activities involving North Korea,” an informed diplomatic source said. “Bank accounts
used to deposit money earned from the North’s exports of arms, in violation of UN
Security Council resolutions 1718 and 1874, were studied, along with accounts used to
purchase luxury goods believed to be supplied to the North’s leadership.” Of the 200
suspicious accounts, U.S. authorities narrowed their attention to about 100 and began
freezing their assets, the source said. The accounts belong to about 10 banks in
Southeast Asia, southern Europe and the Middle East, the sources said. All the
accounts were opened and operated under aliases, the source said. The source said
the new financial sanctions will be different from what happened in the Banco Delta
Asia crisis that stalled the six-party nuclear talks for years due to the North’s protest.
Instead of naming and shaming a specific bank as a money laundering institution and
pressuring it to freeze North Korean assets, “quiet” moves are now preferred to avoid
blowback from Pyongyang, the source said. “When the U.S. authorities informed the
banks that there were problems associated with certain accounts, the banks quietly
froze the assets, making it hard for the media to detect,” the source said. “The assets in
those accounts are likely to be money Kim Jong-il needs to operate his regime, so this
will deal a serious blow to the North.” “The U.S. began the freezings before June,” the
source said. “The moves should be interpreted as a part of new sanctions on the North
to hold it responsible for the sinking of the Cheonan.” The assets in those accounts
were presumably raised through illicit trade of arms, counterfeiting money, money
laundering and drug trafficking, the source said. “In the past, the North deposited
money in African bank accounts created under aliases and raised through trafficking in
elephant ivory, selling of counterfeit Viagra and exporting arms in Africa,” the source
Clinton-Yu press conference: CLINTON: “...Today I am announcing a series of measures to increase our ability to prevent North Korea’s proliferation, to halt their illicit activities that help fund their weapons programs, and to discourage further provocative actions. First, we will implement new country-specific sanctions aimed at North Korea’s sale and procurement of arms and related materiel, and the procurement of luxury goods and other illicit activities. These new measures will strengthen our enforcement of UN Security Council resolutions 1718 and 1874. And they also provide new authorities to target illicit North Korean activities. In addition to these new measures, we will expand and strengthen our work under existing authorities to identify pressure and put out of business North Korean entities involved in proliferation and other illicit practices overseas. This intensified effort includes, among others: additional State and Treasury designations of entities and individuals supporting proliferation, subjecting them to an asset freeze, new efforts with key governments to stop the DPRK trading companies engaged in illicit activities from operating in countries, and prevent the banks of other countries from facilitating these illicit transactions; expanded cooperation globally to prevent the travel of individuals designated under Security Council resolutions, as well as other key North Korean proliferators; greater emphasis on North Korea’s repeated abuse of its diplomatic privileges, in order to engage in activities banned by the Security Council. And, finally, we will press countries not to purchase banned items from North Korea, or to sell North Korea proliferation-related goods. All of this builds on our efforts to enforce vigorously resolutions 1718 and 1874, and our cooperation through the proliferation security initiative. My special advisor for non-proliferation and arms control, Robert Einhorn, will coordinate U.S. efforts and will travel to the region soon to consult on sanctions implementations with South Korea and other allies and partners. Let me stress that these measures are not directed at the people of North Korea, who have suffered too long, due to the misguided and maligned priorities of their government. They are directed at the destabilizing, illicit, and provocative policies pursued by that government. From the beginning of the Obama Administration, we have made clear that there is a path open to the DPRK to achieve the security and international respect it seeks. North Korea can halt its provocative behavior, its threats and belligerence towards its neighbors, take irreversible steps to fulfill its denuclearization commitments, and comply with international law. And if North Korea chooses that path, sanctions will be lifted, energy and other economic assistance will be provided, its relations with the United States will be normalized, and the current armistice on the Peninsula will be replaced by a permanent peace agreement. But as long as the North Korean leadership takes a different choice, continuing defiance, provocation, and belligerence, it will continue to suffer the consequences. … We are aiming very specifically, after much intensive research built on what was done before -- but not limited to that -- to target the leadership, to target their assets. As you recall several years ago, we did get some action from the North Koreans as a result of the steps that were taken at that time. And intensive efforts by the State Department and Treasury Department to identify the activities and the individuals who we think
deserve such sanctioning, and who themselves are either part of the leadership or can influence the leadership is what is contained in this next set of pressure. … Q: (Via translator) … Some say that today’s meeting should serve as the occasion to start reviewing an exit strategy on the Cheonan incident by way of the Six-Party Talks. Other say that such is too early. I believe that, in the long run, a review on an exit strategy is the right way to go. To what extent has this topic been addressed during the meeting? More specifically, if the Cheonan incident is seen to be settled for the time being with the UNSC Presidential Statement, how much longer do you think the pressure measures against North Korea announced on the -- on May 24th will go on? YU: Yes. During the 2+2 ministers meeting, in the aftermath of the Cheonan incident, we talked about policy coordination between ROK and the U.S. With regard to the Cheonan incident specifically, we urge North Korea to quickly admit to its responsibility and offer an apology, and also promise to prevent further similar provocations from occurring. And we will coordinate all efforts to that end. North Korea, to date, has been saying that it will not come to the Six-Party Talks table. So discussing that topic and talking about denuclearization at the Six-Party Talks should come after the peace agreement, as requested by North Korea. And we need to discuss on -- a playing field. And they also asked us to eliminate UN resolution 1718 and 1874, and North Korea has made other series of requests. And some out there talk about an exit strategy with regard to Cheonan incident. But our view is that it is not a ripe time for such an exit strategy at this time. … Q: (Via translator) I have two questions directed to Secretary Clinton. I understand that both the ROK and U.S. are of the position that we must (inaudible) North Korea’s will to denuclearize before resuming the Six-Party Talks. But there seems to be confusing arising from this. For example, if North Korea, as early as tomorrow, comes out and says that it will come to the Six-Party Talks to discuss denuclearization with no preconditions, could the talks actually take place? And also, can the talks resume, even without an apology from North Korea, or actions for punishment against the culprit with regard to the Cheonan incident? What does North Korea actually have to do for the Six-Party Talks to resume? … CLINTON: Well, your question about what does the DPRK have to do is truly the right question. And we think they know the answer, they just refuse to actually do it. They know very well that they made commitments over the last years to the denuclearization of the Korean Peninsula, which they have reneged on, and which we expect them to once again adhere to. We are looking for the irreversible denuclearization. We saw steps taken by North Korea which, as you know, they then decided to reverse. And it’s our position that we are seeking irreversible steps. Secondly, the idea of returning to the Six-Party Talks, as Minister Yu pointed out, is not something we are looking at yet, because we do expect to see North Korea take certain steps that would acknowledge their responsibility for the sinking of Cheonan, which would demonstrate their commitment to the irreversible denuclearization of the Peninsula, which would end the provocative and belligerent actions. Now, we will consult closely with South Korea and the other partners in the Six-Party Talks. And, of course, if we all concluded that there was a very promising effort that could be undertaken because of signals that North Korea sent, we would give that serious consideration. But to date we have seen nothing that gives us any reason to believe that North Korea is ready to end its provocative, belligerent
behaviors, to take the irreversible steps -- that they clearly know about, because they previously committed to doing so -- and to remedy the actions that they have taken against South Korea with the attack on the Cheonan. ... Q: (Dan De Luce from AFP) The man nominated to be the next U.S. director of national intelligence as you have endorsed, Mr. Clapper, spoke about his concerns about -- that we may be seeing the beginning of a new wave of attacks from North Korea. And do you agree with that assessment? And if so, why? And then for all of you, as far as these planned military exercises, what leads you to hope that this will actually deter North Korea, and not possibly actually provoke or raise tensions or create further problems? GATES: Well, first of all, I would say that there has been some indication over the last number of months that, as a succession process gets underway in the north, that there might be provocations, and particularly since the sinking of the Cheonan. So I think it is something that we have to look at very closely. We have to keep it in mind and be very vigilant. By the same token, I think taking steps that further strengthen deterrence and also demonstrate our determination not to be intimidated are very important. And yesterday we briefed in some detail on the first exercise that will take place, beginning in a week or so. And we have recommitted to the fact that we will continue these bilateral exercises, and we will conduct them both in the East Sea and in the West Sea. And so, I think that we have to -- there is certainly not certainty about further provocations. I think that General Clapper was just warming up for his new job, assuming that he is confirmed by the Senate. But I think it is an important point, and it's something we have to be on the lookout for, to be vigilant, but also to be strong." (DoS, Secretary of State Hillary Rodham Clinton, Press Availability with Secretary Gates, Korean Foreign Minister Yu, and Korean Defense Minister Kim," Seoul, July 21, 2010)

China expressed concern over plans by the United States and South Korea to conduct a major naval exercise from July 25, saying it could raise tensions in the region. "We express concern over the relevant activities," foreign ministry spokesman Qin Gang said in a statement, echoing statements Beijing has made for weeks in the run-up to the drill, which will run for four days. "We urge all sides to maintain a cool head and exercise restraint, and not do anything that aggravates regional tensions." (AFP, “China Expresses Concern over U.S.-S. Korea Drill,” July 21, 2010)

Tokyo has proposed high-level talks with Pyongyang on the sidelines of the ASEAN Regional Forum to be held in Hanoi later this week, Nihon Keizai Shimbun said. Japan has pursued a meeting between FM Okada Katsuya and his North Korean counterpart, Park Ui-chun, to discuss pending issues including the North’s past kidnappings of Japanese citizens and the sinking of the South Korean Navy corvette Cheonan in March. (Chosun Ilbo, “Japan Proposes High-Level Talks with N. Korea,” July 21, 2010)

Clinton: “I am grateful to the men and women from the Republic of Korea, the United States of America and the multinational force, who today are standing watch for freedom and who are in a long line of those who came before over the last 6 decades, who have helped to protect South Korea. At the same time we continue to send a message to the North. There is another way. There is a way that can benefit the people of the North. But until they change direction, the United States stands firmly on behalf
Kidnap victim Taguchi Yaeko was alive and well in Pyongyang apparently after the North in 2002 allowed what it claimed were the five surviving Japanese abductees to return home, a Cabinet member indicated. Separately, a spokesman for kin of South Korean abductees said Taguchi is still alive and disclosed her whereabouts. “We have received information that she was doing fine six or seven years ago” in Pyongyang, Hiroshi Nakai, state minister in charge of the abduction issue, told reporters. Nakai, who heads the National Public Safety Commission, said he could not disclose the source of the information. Nakai said the information had already been conveyed to Taguchi’s relatives. Pyongyang claims she died in 1986 as a result of a car accident. But he said the government has no information regarding where and how she is now. Yesterday, Choi Song Yong, head of the South Korean group of relatives of abduction victims, said he was recently told by a source close to North Korean affairs that Taguchi is living Pyongyang. Choi said Taguchi, married to a South Korean abductee, is living in a housing complex in the Manggyongdae district. Choi also said he had already informed Japan. Nakai said the information he has is different from Choi’s. Former North Korean agent Kim Hyon Hui, who is currently in Japan, told Taguchi’s family in March in South Korea that she believed Taguchi was still alive. But the Iizukas said Kim had no information about Taguchi’s whereabouts. (Kyodo, “Abductee Seen Six Years Ago: Nakai,” Japan Times, July 23, 2010) Japan’s government on Friday defended a costly four-day visit by a former North Korean spy who produced little news about Japanese nationals kidnapped decades ago by the communist regime. Kim Hyon-Hui, 48 -- who blew up a South Korean jet in 1987, killing 115 people -- ended her visit and left for South Korea on a chartered flight after meeting families of the kidnap victims at a villa and a luxury hotel. The conservative opposition condemned her visit as a political show orchestrated by the government to shore up public support, although they avoided criticizing the families who asked for her to be brought to Japan. “The world will not understand why a terrorist was treated as if she were a VIP,” said Sadakazu Tanigaki, leader of the Liberal Democratic Party. Kim herself said the visit was meaningful, in one of a few interviews she granted to Japanese media. “After blowing up the Korean Air plane, I attempted suicide but survived. I believe this was because I should live to tell about the truth behind the bombing incident and the abduction issue,” she told the public broadcaster NHK before her departure. “I think I have managed to play some of the role.” Kim spent two nights at former prime minister Yukio Hatoyama’s villa in the exclusive mountain resort of Karuizawa in central Japan and one night at a Tokyo luxury hotel. She was also treated to a helicopter ride over
Tokyo, travelled under high security with a government motorcade, and received presents from the government, including games and toys for her children. Hiroshi Nakai, the minister in charge of the abduction issue, defended the way Kim had been hosted. "We showed her a little bit of Tokyo from above. I don't think it is something for which we should be condemned," he said. "We asked her to talk to the families of kidnap victims in a quiet environment," he told reporters. "It strengthened the faith of the relatives" that their kidnapped loved ones are still alive, he said. Asked how much Kim's trip had cost, Nakai snapped: "Why do I have to answer such a question? It's irrelevant." Opposition leader Tanigaki said Kim should have been questioned by local police over the jet bombing, because she used a Japanese passport when she boarded the South Korean flight and planted the explosives. After her arrest in Bahrain for the jet bombing, Kim was sentenced to death by South Korea, but then received a presidential pardon on the grounds that she had been brainwashed by the isolated regime. Now living in a secret location in South Korea, she has married her official bodyguard and written a book about her life as a spy, including her training in which she was taught Japanese by one of the kidnap victims. (Hiroshi Hiyama, "Japan Defends Costly Visit by Ex-North Korean Spy," AFP, July 23, 2010)

At the end of June, news of the North Korean successor raced around the world. South Korea's news media all reported that a deputy named "Kim Jong" made his appearance in the Supreme People's Assembly beginning last year, and that this person is Jong-un. This news was played up in the Japanese news media as well. However, there was one person who denied this explanation, saying "There is no direct relationship between being selected as a [SPA] member and becoming the successor. Moreover, a successor has yet to be designated. Rather, the news media in South Korea and Japan have been publishing speculative news reports that appear to be recommending and building up Kim Jong-un as the successor." This statement was made by a famous celebrity in South Korea named Kim Yong. But how is it that he is able to make claims like this concerning this issue? Before going in to his background, there is another news report to introduce. On July 5, Lu Chao of the Chinese Academy of Social Sciences made the following statement in an English-language publication. "Deputy Kim Jong, who has been reported in the news, is a famous intellectual, and has been serving as the chief of the literature production group since September of last year. If speculation that he is actually third son stems from the fact their names are similar, this is mindless misinformation." It is comical the way news media and government organizations the world over were misled by a mistake like this. There is a reason why Kim Yong was not misled by this "disinformation." Kim Yong, who is a popular celebrity with a number of his own shows, such as "Good Afternoon, Kim Yong Here" and "The Cheerful Studio," had been a successful entrepreneur selling Pyongyang cold noodles in South Korea, the US, Canada and Australia. After contributing over six billion won to orphanages and old folks homes in 2000, he became the first ever celebrity to receive a presidential citation. But there is also another side to Kim Yong. He is a North Korean defector with a special history. A former national skating team member, he was well-known in North Korea, even appearing on calendars as a hero figure. And he also appeared on television as a singer. Upon earning degrees from two universities, he was assigned to the United Front Department of the Korean Workers' Party and served both Kim Il Sung (Kim Il-
so’ng] and Kim Cho’ng-il. However, in 1991, while in Switzerland on official business, he applied for asylum. After gaining notoriety in South Korea, the false charges, which had been brought against him while he was still in North Korea and which were the reason for his defection, were cleared up, and thanks to his former position as a leader in the party center, he has strong connections inside North Korea and is very knowledgeable of circumstances in present-day North Korea. Up until now, Kim Yong has refrained from talking publicly about politics and this is the first time he has agreed to be interviewed by a small magazine. As he put it, “I lived in North Korea for 30 years, and I have lived in South Korea now for 20 years. I have experienced a lot of twists and turns up to this point, but now I appreciate it all. This is because I have had it all, position, honor, and wealth. There have been a lot of situations that I could not talk about in the past, but my decision to go public for the first time was prompted by the inaccuracy of news reports dealing with North Korea.”

When the Cheonan sinking incident occurred, the feeling in South Korea was that war would break out, people went out and bought emergency provisions, and I received phone calls from individuals who wanted to know ‘Is there going to be a war?’ I told them there would not be a war. I told them they were just wasting their time worrying about whether or not there would be a war.” So, why did North Korea sink the Ch’o’nan to begin with? According to Kim Yong, “[To understand that] we must go back eight years into the past.” He went on to say “The reason behind this incident lies in the joint sponsoring of the World Cup soccer matches in 2002 by Japan and South Korea. The eyes of the world were riveted on this event, and huge numbers of people flocked to Japan and South Korea. South Korea attempted to get North Korea to commemorate the auspicious occasion together with it. “However, North Korea, for reason unknown to me, did not reply to the invitation from South Korea. In other words, North Korea refused to take part in the commemoration. “It was like a big party in Seoul at that time. And in the midst of this celebrating, a North Korea ship crossed the NLL (Northern Limit Line) and entered South Korean waters. This was no ordinary fishing vessel, though. It was a warship. “A South Korean ship jostled with the North Korean ship, and this ultimately escalated into an exchange of fire. Under normal circumstances, the news media would have been quick to jump on this story. However, a global festival called the World Cup was going on at the time, the news agencies did not give the story much play, and people forgot about the incident. “North Korean military personnel suffered great losses then. Large numbers of sailors were on board the North Korean vessel as it departed trailing pitch black smoke, only to sink shortly thereafter. I, too, was once a member of a North Korean organization and do not have to see something to know what it was like. The ship was extremely old. “Please try to imagine how this isolated nation felt. It had initiated a provocative act in the midst of a celebration and was shamed for its efforts. If North Korea did indeed suffer a heavy toll, the thinking there was most certainly that ‘Payback is coming! We won’t forget, and we will have our revenge!’ However, this kind of expression does not frighten South Koreans. On the contrary, they dismiss it out of hand saying ‘Payback is coming! When?’ But they do not realize that in North Korea, ‘Payback is coming’ is a very scary phrase. It means if we cannot get revenge in our time, our children will get our revenge for us. “In March of this year, as the US and South Korea were about to commence their joint military exercises, North Korea issued a warning. They said ‘Don’t Hold the Military Exercises.’ ‘In South Korea, the attitude was ‘What are you going on about all
of a sudden? These are regular exercises that we conduct every year, so just back off.‘ North Korea responded by saying ‘If you don’t heed our warning, the Blue House will become a sea of fire.’ But South Korea jeered ‘How are you going to turn the Blue House into a sea of fire? What, do you think we are asleep over here?’ ‘This is not an accurate reading of North Korea’s true intent. [When North Korea says it will] torch the Blue House, this does not refer to actually setting it on fire, but rather means [North Korea] will be the chief mourner [at South Korea’s funeral]. ‘Then, at the end of March, news tickers suddenly began streaming across television screens. The Ch’ o’nan had sunk during exercises in the Yellow Sea. While news media around the world were trying to verify a theory that the ship had run aground, I was telling those around me that North Korea was to blame. I said it was either a torpedo attack, or, if the ship was at anchor, an act perpetrated by North Korea’s submarine forces. ‘Later, people asked me how I had known what had happened. ‘There were two reasons. The first was the fact that North Korea had suffered heavy losses when it crossed the NLL in the past. The second was that no one had listened when it had demanded that the military exercises be called off. Another factor is that if, for example, South Korea puts ten jet fighters in the air, North Korea must also send up ten jet fighters, and if South Korea has 50 jet fighters in the air, North Korea feels compelled to fly the same number of jet fighters. ‘The larger the scale of South Korea’s military exercises, the more North Korea feels compelled to conduct a large-scale military exercise (out of a sense of rivalry), requiring the mobilization of large numbers of military troops and armaments. In other words, it is a matter of money. ‘North Korea spends foreign capital on military exercises. It also must consume all the oil slated for use in agriculture. This is the perception gap between a country that has lots of money and one that does not. ‘Consequently, these two factors led to the sinking of the Cheonan and to greater than expected losses.’ Kim Yong also shed light on a “reason” for the failure of North Korea’s redenomination scheme that had heretofore not been discussed in Japan. Many will still remember that the failure of the redenomination scheme (the devaluation of the won) implemented by North Korea last November led to the execution by firing squad of two leaders of the Korean Workers’ Party Planning and Finance Department and the resignation of Premier Kim Yong Il [Kim Yo’ng-il] in June. South Korean and Japanese news reports explained that “The forced redenomination caused considerable damage to the Party, the State and the people’s economy,” but according to Kim Yong this was “not the case.” As he put it, “There was a deep connection between the resident Chinese and the currency reform.”In the 1970’s, large numbers of Chinese crossed the China-North Korea border formed by the Yalu River into North Korea to escape the Cultural Revolution. These people belonged to the Chinese intelligentsia. Being of the educated class, they were able to operate successful businesses even in North Korea. Later, with the opening of China’s economy, these Chinese residing in North Korea were able to team up with relatives and friends back in China to launch business ventures that made them very wealthy. “In the meantime, former Korean residents of Japan, who mounted a successful movement to return to North Korea from Japan, had been adhering to the Party line and leading quiet lives in North Korea. The resident Chinese differ somewhat. Let me give you an example. “A certain resident Chinese, in cooperation with a China-based Chinese businessman, purchased a factory in North Korea. I don’t know the exact amount he paid for it, but it probably cost him around one million dollars. The leaders
of the Party were probably looking forward to earning some foreign capital. Upon concluding the purchase agreement, a Chinese person showed up with a truck full of money. However, when they opened the lid to the money box, what they found inside was not foreign capital, but North Korean currency. "In China, North Korean currency is nothing more than 'paper with pictures drawn on it.' North Korean's also have a saying that even dogs won't eat [accept] North Korea currency. It was this currency that was loaded in the truck. That is, North Korea had sold the factory for what amounted to nothing. As Party leaders, they could not refuse their own country's currency and were so unable to protest the transaction. This incident brought the leadership to the realization that 'If we do not do something, the bulk of North Korea's assets will wind up in the hands of China and the resident Chinese.' "It was after this that North Korea put the redenomination scheme into effect. The redenomination scheme was targeted at the resident Chinese, who had gotten rich while moving back and forth between North Korea and China, and merchants inside North Korea, who were ignoring the prohibition on private businesses. An upper limit was placed on the amount of old currency that a household could exchange for the new currency, and amounts in excess of the upper limit could not be exchanged for new currency. In other words, it was a de-facto confiscation [of the peoples’ money]. "However, the redenomination scheme resulted in a huge backlash from the resident Chinese and Chinese nationals. Since these people feel they can always flee to the Chinese Embassy to escape no matter what happens, they openly rebel against North Korea. "In order to hold the backlash on the part of the resident Chinese in check, North Korea felt compelled to put the blame on the relevant leaders. This was reported as a purge. This was an extremely sad turn of events. (The resident Chinese were able to do as they pleased and) [the North Korean leadership] could do nothing about it. Can anyone really grasp this feeling? It is a sadness that can only be felt by a small, poor nation." Lastly, we queried Kim Yong about the "succession issue." Since June of last year, reports stating that "Kim Cho'ng-u'n has been unofficially selected as the successor [to Kim Cho'ng-il]" have appeared in superabundance, but were labeled misinformation at the beginning of this article.  Kim Yong's remarks were more cautious than anything to date. As he put it, 'A successor, as the term implies, is vital for passing power on to the next generation. No one can be called the successor until someone has been clearly designated as such. "The media is constantly getting ahead of itself on the succession issue. Has anyone inside the North's Korean Workers' Party made mention of an official successor? "(For anyone outside of the Kim Dynasty) to take up the succession issue now would be the same as publicly saying 'I would like to do such and such once The General has passed on.' Who could say something as dreadful as that. It is completely out of the question. "When she was alive, Ko Yo'ng-hu'i, Kim Cho'ng-u'n’s mother, most likely prayed that her son would become the successor. But Ko Yo'ng-hu'i is no longer with us (She died in 2004). "When things get boring, the Japanese and South Korean media make a lot of noise about [Chairman Kim's] successor, but that is irresponsible reporting. This is an issue with global ramifications, and I would like them to treat it more discreetly by publishing reports based on hard evidence." Like Kim Yong, diplomatic analyst Seiichi Ino, the author of "Kim Cho'ng-il's Will," also took a more cautious stance when the successor reports boiled up last June. According to Ino, "I could not come up with a decisive reason for Cho’ng-u’n being designated at that time. There was also no decisive information as to why his older brother, Chong-
chol, was deemed unfit. And the oldest son, their half-brother Cho’ng-nam, can by no means be labeled excess baggage as far as the Kim family is concerned. “When Kim Cho’ng-il fell ill last year, it was Kim Cho’ng-nam who carried out instructions from Kim Kyo’ng-hu’i, [Kim Jong-il’s] younger sister. Cho’ng-nam invited the French physicians, and was literally the one who "sweated it out" outside Kim Cho’ng-il’s hospital room. Since Ko Yo’ng-hu’i passed away, Kim Kyo’ng-hu’i has acted like a mother to all three sons, to include Cho’ng-nam. Following Kim Jong-il’s recovery and return to affairs of state, Cho’ng-ch’o’il and Cho’ng-u’n have frequently taken turns accompanying their father on this trips. This is also said to be at the instructions of husband and wife Chang So’ng-t’aeak and Kim Kyo’ng-hu’i, and speaks to the considerable influence Kim Kyo’ng-hu’i has over the three sons. "There seems to be little doubt that Cho’ng-u’n is the leading candidate [for successor], but Kim Kyo’ng-hu’i has taken the three sons under here wing, and it is probably safe to say that Kim Cho’ng-il and his royal family have embarked on the succession process.” A successor designate has reportedly never been decided by the National Defense Commission or other such government organ, and inside the Kim Dynasty, the three sons are being instructed to close ranks without interference from anyone. Kim Cho’ng-il will designate a successor from among his three sons, and will reportedly support the other two.

The secrets to power in North Korea have definitely not been apparent from superficial reporting. The statements by Kim Yong, an authority on the internal workings [of the Kim regime], offer ample insights. (Tokyo Shukan Bunshun,” Only I Know North Korea’s Biggest Secrets - North Korean Defector Speaks Out for First Time,” July 22, 2010, pp. 130-33)

7/23/10 North Korea and the United States exchanged veiled threats at an Asian regional security conference, where attention has focused on the North’s sinking of a South Korean naval ship in March. A U.S.-South Korean military exercise planned in response to the sinking of the Cheonan is a violation of North Korea’s "sovereignty ... and security," North Korean delegate Ri Tong Il told reporters outside the closed-door conference, and would be met with a “physical response.” Ri spoke after Secretary of State Hillary Rodham Clinton told the meeting that "an isolated and belligerent North Korea has embarked on a campaign of provocative, dangerous behavior," according to prepared remarks provided to reporters. "Peaceful resolution of the issues on the Korean Peninsula will be possible only if North Korea fundamentally changes its behavior," Clinton said. Ri caused a stir when he exited the meeting following Clinton’s statement to the conference to read a statement in Korean. Asked to respond in English, he said that North Korea’s "position is clear. There will be a physical response to the threat imposed by the United States military." As Vietnamese security guards shoved back jostling reporters and camera crews, Ri said, "This is not defensive training, no longer a joint military exercise." U.S. moves, he added, were "a clear violation of the spirit" of the U.N. statement. "It called for self-restraint and also settlement of pending issues through direct dialogue and negotiations in a peaceful manner." When North Korea refused to accept formal notification of the U.S.-South Korean military exercises this week, the U.N. commander read the announcement over a bullhorn across the Demilitarized Zone that has separated the two countries since the Korean War was formally suspended in 1953. (Karen DeYoung, “North Korea Threatens ‘Physical Respone’ to U.S.-S. Korea Military Exercise,” Washington Post, July
North Korea maintained its innocence in the sinking of a South Korean warship and accused the U.S. of conducting “gunboat diplomacy” with naval drills off the Korean peninsula that will start this weekend. “There will be physical response against the steps imposed by the United States militarily,” Ri Tong Il, an official with North Korea’s delegation to the Asean Security Forum, told reporters in Hanoi today. The maneuvers, which involve 20 vessels and 200 aircraft, pose a threat to the country’s sovereignty and security, Ri said. “It’s no longer the 19th century with gunboat diplomacy,” Ri said. “It is a new century and the Asian countries are in need of peace and development.” The investigation’s results have been “fabricated,” Ri said, adding that North Korea would not apologize for the incident as demanded by South Korea. “Who are they telling to apologize when the truth of the incident hasn’t come to light,” Ri said. “If anyone should apologize, it should be South Korea, responsible for driving the situation on the Korean peninsula to the brink of an explosion.” (Bomi Lim, “North Korea Warns of ‘Physical Response’ to U.S. Naval Drills,” Bloomberg News, July 23, 2010)

Clinton: “Q: You talked today a little bit about North Korea’s – your concern about North Korea’s nuclear program and today the North Korean, threaten, I quote, “physical response” to your planned exercises with South Korea. Are you worried about an escalation? And as you talk about North Korea’s nuclear ambitions, you’ve raised concern today about Burma’s nuclear ambitions and it’s trying to seek a nuclear weapon. You have some very protracted negotiations with South Korea over civil nuclear programs. Are you concerned that all of this activity will spark an arms race in Asia where other states feel that they’re going to have to develop a nuclear program to keep up? CLINTON: Well, Elise, the threat of a nuclear arms race is one of the greatest dangers facing the world today. As I said in my participation during the ASEAN Regional Forum, we regret and condemn the actions of North Korea, the belligerence, the provocation, the sinking of the South Korean ship Cheonan, the destabilizing effect that that has in Northeast Asia, the proliferation of both conventional arms and nuclear technical knowhow. Because we do consider it to be a very serious problem, not only in Northeast Asia, but unfortunately, consequences throughout the rest of the world. Yet at the same time, and I have said repeatedly and said again today, the door remains open for North Korea. If they are willing to commit themselves as they did five years ago in 2005 to the irreversible denuclearization that would make the entire Korean Peninsula, not just the South, but the North as well free of nuclear weapons, we are willing to meet with them. We’re willing to negotiate, to move toward normal relations, economic assistance. We want to help the people of North Korea. We would love for them to have the same opportunities that the people of South Korea have been able to enjoy during the last 60 years. So it is distressing when North Korea continues its threats and causes so much anxiety among its neighbors and the larger region, but we will demonstrate once again through our military exercises as we did when Bob Gates and I visited in Seoul together two days ago – that the United States stands in firm support of the defense of South Korea and we will continue to do so. But we of course would welcome the day when there is peace on the Peninsula and when the leaders of North Korea are less concerned about making threats and more concerned about making opportunities for all of the North Korean men, women, and children. I would very much like to see that come to pass
and, as I say, we stand ready to do so. **But under these circumstances, it appears unlikely that we’ll be able to make any progress in the near term.**” (DoS, Secretary of State Hillary Rodham Clinton, Remarks at Press Availability, ASEAN Regional Forum, Hanoi, July 23, 2010)

The U.S.-led U.N. Command (UNC) and North Korea’s military ended their third round of working-level talks without tangible results, the command said, as tension has heightened further following the U.S. announcement to impose tougher financial sanctions on the North over the sinking of a South Korean warship in March in the West Sea. At the previous colonel-level meeting last week, the North renewed its demand that its own investigators should be allowed to come to the South to verify the results of a Seoul-led multinational probe that concluded in May that the communist regime was responsible for the attack. South Korea has rejected the North’s request, saying the issue should be handled under the framework of the UNC because the attack was a violation of the armistice agreement that ended the 1950-53 Korean War. (Jung Sung-ki, “UNC-N.K. Talks Fail to Produce Results,” Korea Times, July 23, 2010) The U.S.-led United Nations Command (UNC) proposed North Korea a plan to conduct a joint assessment of the sinking of South Korea’s ship, Cheonan, in March in the West Sea, the command said. Both sides agreed to hold a new round of meetings July 29 to discuss the issue, it said. “Seeking to comply with the UNSC president’s intent, UNC Military Armistice Commission proposed to convene a Joint Assessment Group (JAG) to assess the cause of the armistice violations that led to the sinking of the ROK ship Cheonan,” the statement said. “The two sides exchanged ideas and further details for convening a JAG in accordance with the Armistice Agreement.” (Jung Sung-ki, “UNC Proposes Joint Probe of Ship Sinking to N.K.,” July 23, 2010)

The Obama administration is working to establish a formal legal process to resolve disputes between Asian nations over claims in the South China Sea, a move that could raise new tensions with China. U.S. Secretary of State Hillary Clinton pushed the initiative, according to U.S. officials, during a meeting of the 10 members of the Association of Southeast Asian Nations, China and more than a dozen other countries. Clinton said the U.S. has grown increasingly concerned about the competing claims for territory in the South China Sea. China and Southeast Asian countries like Vietnam, Malaysia and the Philippines have historically tussled over the region’s waterways, islands and atolls. The dispute has raised concerns that an increasingly powerful Chinese military could seek to dominate Asian waters. Tensions have risen as Chinese companies have increased exploration efforts in the region to look for new deposits of energy and minerals. Clinton said Washington is seeking to work with ASEAN nations, China and other countries to develop an international mechanism to resolve the disputes. She said the process should be institutionalized through ASEAN and based on the international law of the sea. “The United States supports a collaborative diplomatic process by all claimants for resolving the various territorial disputes without coercion,” Clinton told reporters at the end of the two-day ASEAN Regional Forum in Vietnam. “We oppose the use or threat of force by any claimant.” U.S. officials traveling with Clinton acknowledged that Beijing expressed opposition to Washington’s moves during the deliberations in Vietnam. They said Chinese officials told this week’s forum that Beijing believed any disputes involving the South China Sea should be solved on a
bilateral basis and not include the international community. "The Chinese don't want this process internationalized," said a senior U.S. official traveling with Clinton. Vietnamese, Philippine and Malaysian officials have voiced their concerns to Washington about China's increasing aggressiveness to laying claims to places like the Paracel and Spratley islands, U.S. officials said. They said that at least 12 Asian countries pushed Friday at the Hanoi meeting for a dispute mechanism to be established. (Jay Solomon, "U.S. Takes On South China Sea Disputes," Wall Street Journal, July 23, 2010)

The August deadline for a final decision on the location and construction method of a replacement facility for the U.S. Marine Corps' Futenma Air Station in Okinawa Prefecture has been abandoned by the Japanese and U.S. governments, several sources close to the issue said. Two factors are said to be behind the move: failure to overcome differences in bilateral negotiations up until last Friday; and strong resistance in Okinawa Prefecture to the replacement facility being located within the prefecture, the sources said. (Yomiuri Shimbun, "Aug. Deadline for Futenma 'Abandoned'; Indecision Fed by Pressure from Okinawa," July 23, 2010)

North Korea will go ahead with a "strong deterrent" based on its self-defensive policy if it determines the United States has abandoned its intent to resolve the March sinking of a South Korean warship through dialogue, Chosun Sinbo. He considered aligned with the regime in Pyongyang, said the drills only raise military tensions and do little to stop the North from "continuing to strengthen its nuclear deterrent.""The military drills that run counter to an atmosphere for dialogue is highly likely to instantly turn around the mood" that appeared to thaw after the U.N. Security Council recently urged talks over the sinking, the paper said in a commentary. (Sam Kim, "N. Kim to Use ‘Strong Deterrent’ in Lieu of Dialogue," Yonhap, July 26, 2010)

7/24/10

NDC Spokesman: "The US imperialists and South Korean puppets, who have been frantically running amok in a maneuver to crush the Republic over the Cheonan ship incident, have ended up embarking on reckless acts of actual warfare [against us]. The joint naval exercise to be enforced in the East Sea of Korea from 25 to 28 July, the joint anti-submarine exercise planned along with the Ulchi-Freedom Guardian joint exercise from 16 to 26 August in the West Sea of Korea, and the various joint naval drills that are set to be conducted from late August to early September are, in both name and reality, outright acts of provocation aimed at crushing us militarily. The situation is such that the bastards themselves are babbling that this joint naval exercise, which will mobilize massive armed forces of the navy and air force -- such as aircraft carriers and submarines capable of nuclear strikes above and underwater and hundreds of fighters -- is a joint message of warning and a message of combined deterrence. If the announcement on the results of the investigation into the Cheonan ship incident concocted by the US imperialists by instigating the puppets was the first reckless military provocation against us, the joint naval exercise that [they are] attempting to enforce by even dragging in means of a nuclear strike and using this incident as an excuse is an unpardonable second military provocation against us. This step-by-step expansion of these military provocations cannot but be an outright challenge to the demand of the international community and opinion of the United
Nations that deny the claims of the North’s involvement in the Cheonan ship incident and desire peaceful alleviation of tension on the Korean peninsula. It is none other than the US imperialists and South Korean puppets who are the ones who, when deemed necessary, would drag the fabricated incident to the United Nations, but when it is disadvantageous, would trash even the UN Security Council Presidential Statement as a piece of scrap paper. [The actions of] the main culprit of the ship-sinking incident to fabricate the truth and use it as an excuse to stage, not a defense exercise, but an offensive exercise against someone and send a message of deterrence, cannot but be likened to the reckless act of waking up a sleeping tiger. In regards to the abnormal situation in which the United States and South Korean puppets are bringing on the danger of a nuclear war to this land over the Ch’o’nan ship incident, the DPRK NDC once again clarify at home and abroad the following principled position:

1. **Our army and people will fairly oppose with our powerful nuclear deterrent the largest-ever nuclear war exercise commotion the US imperialists and the South Korean puppets are enforcing.** The despicable double-faced strategy of the US imperialists and puppets -- of *babbling about a nuclear-free world and denuclearization of Korean peninsula in one’s face and then turning around to threaten the other party with nuclear and causing nuclear confrontation* -- once again certifies how just it is that we chose the road of reinforcing the nuclear deterrent. The more the US imperialists wield nuclear and the puppets follow it, the more our nuclear deterrent will be reinforced at an astounding speed along the orbit of self-defense and the more remote the denuclearization on Korean peninsula will become. 2. **In response to the US imperialists and the South Korean puppets’ deliberate driving of the situation to the brink of war, at any time necessary, our army and people will commence our-style sacred war of retaliation based on nuclear deterrent.** Under conditions where the US imperialists have completely overturned the spirit of the 19 September Joint Statement, in which they promised not to attack or invade us with nuclear or conventional weapons, and are clinging to maneuvers of direct military provocation, it is our army and people’s due choice to take corresponding all-out retaliatory measures. 3. **Under the condition where the US imperialists and the South Korean puppets are continuing to forcibly link us with the Cheonan ship incident, our army and people will take all measures to the end to ferret out the truth behind the incident.** Disclosing the truth in the impure fabricated act and smear act is a fair and square independent right to defend our honor and dignity. Therefore, **the more whoever interferes with our NDC inspection team’s on-site investigation in South Korea, the more that person will only reveal his identity as the main culprit who fabricated the incident before the world.** The US imperialists and the South Korean puppets will come to keenly realize the enormous price they will have to pay for the reckless military provocation, which is driving the situation on the Korean peninsula to the worst situation under the pretext of the Cheonan ship incident.” (KCNA, The Aggressors’ Reckless Maneuver of Military Provocation Will Be Smashed by the Strong and Powerful Deterrent Action of Our Style;)

Top diplomats from 26 countries and the European Union expressed "deep concerns" over the sinking in March of a South Korean warship and supported a related U.N.
statement. The foreign ministers who attended this year’s meeting of the Asia Regional Forum (ARF), however, did not pinpoint North Korea as the perpetrator of the deadly sinking of the warship Cheonan which left 46 sailors dead. (Yoo Jee-ho, “Top Diplomats Express ‘Concerns’ over Sinking of S. Korean Warship,” Yonhap, July 24, 2010)

North Korea’s internal security apparatus is searching for dissidents who have distributed leaflets critical of leader Kim Jong Il inside the country. Sources said the handbills were discovered in Hoeryong in the northern part of the nation in late June. Direct criticism of Kim is very rare in North Korea. The sources said the existence of the fliers indicated that the level of dissatisfaction with Kim among the North Korean population had intensified. The leaflets used a term of respect reserved for Kim but said, “The General is not the bright sun of the 21st century, but has only brought us darkness.” They also said, “Let us end the age of Kim Jong Il. We want rice.” North Korean police are trying to collect and destroy all the leaflets, and have launched an intensive investigation to find who printed and distributed them. The sources said that between June 24 and 25 dozens of the fliers had been seized in Hoeryong. Based on where the literature was distributed and its content, analysts said the fliers were not likely to be the work of the South Korean military or South Korean citizens groups. South Korean groups and agencies have often dropped fliers in North Korea using balloons. Because the latest fliers appear to have been distributed by an organization within North Korea, security officials have begun a thorough investigation due to concerns that they could represent a serious threat to the stability of the reclusive state. The North Korean police have burned all the fliers they seized and are apparently using all available manpower to track down residents who may still have a copy.

Meanwhile, the South Korea-based Internet newspaper the Daily NK carried a report of further dissident activity in the northern city of Chongjin. In late June, a large number of 5,000-won bills were found around a bronze statue of Kim Il Sung, the founder of North Korea and Kim Jong Il’s father, carrying comments critical of the regime. Written on the bills was the name of a group of defectors seeking to save North Korea. The report said police in the city were trying to gather all the bills and were searching for the individuals responsible. Police are said to be questioning people trying to leave Chongjin. (Nishimura Daisuke, “Kim Moves to Smash Dissent,” Asahi Shimbun, July 24, 2010)

7/25/10 U.S.-South Korea joint naval exercises begin.

Minju Chosun signed commentary: “The U.S. and south Korean warmongers announced that they would stage joint naval maneuvers from July 25 to 28 and the Ulji Focus Guardian joint exercises and joint anti-submarine exercises from August 18 to 26 and several other joint naval exercises till September in the subsequent period. The U.S. is set to stage these exercises with 20 odd warships including nuclear-powered carrier “George Washington” and at least 200 warplanes of different types including F-22 Raptors involved. It is the ulterior intention of the U.S. and south Korean warmongers to ignite a nuclear war against the DPRK when they are given a chance while staging saber-rattling for several months in the waters of the east and west seas
of Korea with huge armed forces involved. Their plan to stage the largest-ever nuclear war exercises against the DPRK under the pretext of the warship sinking case is not only an open military provocation against the DPRK but a criminal act of mocking and insulting the United Nations and the international community. The U.S. remains unchanged in its hostile policy towards the DPRK to stifle it by force of arms and so does the group of traitors in its intention to do harm to fellow countrymen with the help of outside forces. Instead, they have become all the more undisguised as the days go by. It is, however, a pipedream for them to try to browbeat the DPRK by force of arms. The DPRK has the Korean People’s Army, an invincible strong army equipped with nuclear deterrent recognized by the world people. The army and people of the DPRK will take strong retaliatory measures with dignity by dint of their powerful nuclear deterrent, as a spokesman for the DPRK National Defence Commission had declared in his statement, in order to cope with the nuclear war exercises kicked off by the U.S. imperialists and the south Korean puppet warmongers. They will start Korean-style sacred war for retaliation any time they deem it necessary. The DPRK has never made an empty talk.” (KCNA, “Will to Take Retaliatory Measures against Warmongers Declared,” July 25, 2010)

7/26/10 Rodong Sinmun signed article: “The south Korean puppet group at last kicked off anti-DPRK joint naval maneuvers together with the U.S. imperialists under the pretext of ‘defending’ it from somebody’s ‘provocation,’ but this is no more than a deceptive farce which can convince nobody. The group described the DPRK-targeted saber-rattling as “defensive” even though it is getting hell-bent on the racket for confrontation and war against its fellow countrymen in collusion with the U.S. imperialists. This is nothing but rigmarole to cover up the danger of the joint maneuvers, which may render the situation in the Korean Peninsula and its surrounding areas extremely tense and lead it to the brink of war, and justify its frantic anti-DPRK war provocation moves. The saber-rattling is a prelude to the second Korean War, to all intents and purposes. What should not go unnoticed here is the danger of the joint exercises now underway in the East Sea of Korea by the U.S. and south Korean warmongers with huge armed forces involved. They are military exercises in word but, in fact, a three-dimensional test war for mounting an all-out attack on the DPRK. The puppet forces plan to stage at least 10 joint military exercises with the U.S. one after another till the end of this year, including Ulji Freedom Guardian and anti-submarine exercises in the wake of the on-going joint naval maneuvers. The reality goes to clearly prove that the warlike forces at home and abroad made it a fait accompli to provoke the second Korean War and they can launch the war of aggression against the DPRK any time. It is quite natural that the domestic and foreign public opinions strongly urge the U.S. and the south Korean authorities to stop the joint naval maneuvers, vehemently denouncing them for bringing dark clouds of a nuclear war to hang over the Korean Peninsula. They will have to pay a dear price if they persist in the criminal act of harassing peace and security on the peninsula, defying our repeated warnings and turning a deaf ear to the domestic and foreign demand for the settlement of outstanding issues of the peninsula in a peaceful way through direct talks and negotiations.” (KCNA, “U.S.-South Korea Joint Naval Maneuvers Blasted,” July 26, 2010)
Nuclear fusion techniques, which Pyongyang in May claimed it had developed, might allow the North to load smaller bombs onto ballistic missiles, while using highly enriched uranium rather than plutonium would make it more difficult for the international community to monitor Pyongyang’s access to raw materials for its bombs. Pyongyang first referred to the new technology in a Foreign Ministry statement carried on KCNA, on June 28. It said it was “strengthening (nuclear deterrence) with a new method.” On July 25, the Foreign Ministry’s disarmament section chief Li Tong Il again seemed to refer to new capabilities, when he said: “We will further strengthen our nuclear deterrence in a variety of ways.” North Korea announced in May that nuclear fusion experiments had been successful. The development of devices using nuclear fusion would improve the efficiency of fission reactions in bombs, allowing smaller weapons to be produced, or more bombs to be made from a given amount of plutonium. To load its weapons onto missiles, North Korea needs to reduce their weight to about one ton, in the case of its long-range Taepodong missiles, and to less than 800 kilograms, in the case of its medium-range Nodong. An alternative explanation of the statements coming out of Pyongyang is the development of an ability to use uranium in its weapons. North Korea is believed to already possess several plutonium bombs, but using uranium would make it more difficult for the international community to monitor the development process. According to diplomatic sources, when North Korea notified China in advance of its plan to experiment with nuclear fusion, China was strongly opposed. (Makino Yoshihiro, “Pyongyang Touts Nuclear Weapons Progress,” Asahi Shimbun, August 2, 2010)

A high-level government official said Sunday that South Korea and the U.S. aim to take strong action against North Korea’s sinking of the Cheonan to elicit a regime change in the North. The comment came while the official explained to The Dong-A Ilbo of the recent diplomatic and security landscape surrounding South Korea. It indicates that the strong reaction of the two allies to the sinking is more than just about punishment, and instead could aim for a regime change in the North, which would be a fundamental solution to the problems facing Pyongyang. The South Korean government, however, seems divided over hard-line measures on the North that aim for a regime change. The official said, “Some within the government have expressed opposition, saying a regime change could give rise to severe disorder.” A diplomatic source added, “There is strong debate within the government over whether to continue the strong sanctions or talk with Pyongyang. President Lee Myung-bak has apparently not decided on the direction of North Korea policy yet.” One expert said, “Sanctions will continue for awhile but the G20 summit that Seoul will host in November will become an important determinant (for North Korea policy).” “If the government decides to continue sanctions for more than six months even after the G20 summit, it could be interpreted as an important strategic choice to actively pursue regime change in the North.” (Dong-A Ilbo, “Stronger Action N. K. Aims for Regime Change,” July 26, 2010)

Opposition party lawmakers are urging Yu Myung-hwan, minister of foreign affairs and trade, to step down and take full responsibility for what they call a slip of the tongue regarding young people sympathizing with North Korea. Given that Yu’s remarks were disclosed two days before the July 28 by-elections, opposition parties strove to
The military and diplomatic tensions on the Korean Peninsula ignited by the sinking of the Cheonan show no signs of settling. A North Korean Foreign Ministry spokesman also stated during a KCNA press conference that the United States was raising its pressure on North Korea by pushing through with its war exercises and sanctions. He said the U.S. provocations were crossing a line set by North Korea, and amid these conditions, North Korea no longer felt the need to worry about the line the United States had drawn. The Foreign Ministry spokesman said North Korea would respond by strengthening their nuclear deterrent in a variety of ways and with strong physical measures. These North Korean protests are at a very high level in that they have repeatedly stressed its “nuclear deterrent.” It is notable, however, that Pyongyang has talked of neither immediate nor concrete response measures. By attaching conditions to their response measures such as “any time necessary” (National Defense Commission spokesman’s statement) and “prepared for both dialogue and war” (Foreign Ministry spokesman), they have left room for dialogue and negotiations. In relation to this, it is also notable that North Korean Foreign Minister Park Ui-chun said during the ASEAN Regional Forum on July 23 that the explosive situation leading the region to the brink of war over the past several months brought on by the sinking of the Cheonan had harmed the stability and people of North Korea. Minister Park said it had also seriously harmed its economy, and that what was needed more than ever was an infinitely stable situation. Some observers say Park’s statement could be interpreted as a message that North Korea now wants dialogue and negotiations rather than confrontation. The problem is that it does not seem the United States and South Korea...
are looking for dialogue and negotiations. A high-ranking South Korean official, in fact, stressed a hardline position, saying now is not the time to be discussing an exit strategy, and that South Korea-U.S. drills would continue monthly until the end of the year. State Department spokesman Philip Crowley also released a cold statement, saying the United States has no interest in a war of words with North Korea. It is also meaningful that at the recent ARF and elsewhere, Chinese Foreign Minister Yang has stressed not Beijing’s existing position regarding the six-party talks that they should be restarted quickly, but rather the need to create conditions to restart them. This is because it is diplomatic rhetoric reflecting the judgment of the Chinese government, compared to the attitude of the South Korean and U.S. governments, believes it would be difficult to restart the six-party talks soon. Another high-ranking South Korean official also said it would take a long time to move out from the influence of the sinking of the Cheonan. It is time to worry what ripple effect the deep tensions on the Korean Peninsula will have and how they will unfold. (Hankyore, “Confrontation Continues on Korean Peninsula,” July 26, 2010)

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A document shows that the Russian investigation team that came to Korea from May 31 to June 7 to conduct its own investigation into the sinking of the Cheonan concluded that the sinking resulted from an “indirect outside underwater explosion,” but that the blast was more likely from a mine than a torpedo. In particular, the Russian team raised doubts about the time of the explosion reported by South Korea’s joint civilian-military investigation team, which announced that the blast to the Cheonan came from a North Korean torpedo attack at 9:21:58 p.m. on March 26. The Russian team’s conclusion was based on factors such as the last time indicated on the Cheonan’s closed circuit television footage, which was 9:17:03 p.m. on the night in question. The document titled “Data from the Russian Naval Expert Group’s Investigation into the Cause of the South Korean Naval Vessel Cheonan’s Sinking” stated, “The explosion time officially stated by South Korea [9:21:58 p.m.] does not coincide with the time of the last video footage taken on the day in question when the power current was cut off within the vessel [9:17:03 p.m.].” This statement hints that an uncontrolled situation may have arisen at least four to five minutes before the time announced by the South Korean team. The Russian team also said that a sailor on board the Cheonan made a cell phone call at 9:12:03 p.m. notifying a Naval signalman that crew members were injured. “The record of this first communication does not accord with what was official stated by South Korea,” the team said. This coincides with a July 8 Hankyoreh report stating that the Russian team had “detected the transmission of a distress signal at a time earlier than the time of the Cheonan explosion.” In response, the Ministry of National Defense explained that the CCTV time was some three minutes and 47 to 50 seconds off the actual time, but that it did not disclose this fact at the time because it might “give rise to unnecessary misunderstandings.” The ministry also said, “Beyond what was already disclosed, there is no record at all of anything like a Cheonan crew member providing notification about injuries by cell phone.” The Russian team also raised questions about the so-called “No. 1 torpedo” fragment presented by the South Korean team as “conclusive evidence” of North Korean responsibility for the sinking. "While the torpedo fragment may have been made in North Korea, the characters written in ink do not conform to general standards" in terms of location and lettering, the Russian team said. The Russian team went to say, “Based on a naked-eye analysis of
On its conclusions regarding the cause of the sinking, the Russian team wrote, "The claims that it was a non-contact external underwater explosion were borne out." At the same time, it conjectured that the accident occurred when "the vessel's propeller happened to get caught in a net as it was sailing through shallow waters near the coast, and as the vessel was trying to extricate itself to deep waters, its lower part struck a [mine] antenna and set off the triggering device." (Hankyoreh, "Russia's Cheonan Investigation Suspects that the Sinking Cheonan Ship Was Caused by a Mone in Water," July 27, 2010) The Lee Myung-bak administration has given a full-scale refutation of the content of the Russian investigation team's report summary, covered by the Hankyoreh yesterday. This response was far removed from the Lee administration's original attitude as it announced the Russian team's participation, stating that the Russians would support Seoul's position. An examination of the Russian investigation team's report and the Ministry of Defense's refutation reveals a number of differences. There may also be differing claims in South Korea and abroad. The Russian investigation team said the CCTVs inside the Cheonan stopped taping on March 26 at 21:17:03 p.m. In response, the Ministry of Defense said there were 11 cameras installed inside the Cheonan, and since their time was never adjusted after it was input during installation, there is a difference between the time displayed on the recorded video and the real time. Experts pointed out, however, that it is unpersuasive that the time entered into six of the recovered CCTVs would have the same time error. An official from one CCTV firm told the Hankyoreh during a telephone interview that CCTVs supplied to the military are high-performance equipment: out of 1,000, maybe one or two would have time errors. Moreover, the Cheonan's CCTVs began operation in September of last year. The official said that less than a year after installation, the cameras could be off by no more than a minute. In response to the Russian investigation team's claim that the crew informed coastal signal corpsman that there were injuries at 21:12:03, the Defense Ministry said a Cheonan crew member made the call personally. Since the Russian report specifies a coastal signal corpsman, however, it is possible to conclude that this is something that requires reinvestigation. The Russian report notes that the Cheonan touched the sea floor, damaging all the blades on the right screw and two of the blades on the left screw. In response, the Defense Ministry repeated its existing position, that the all the ends of the blades of the starboard screw were bent inward due to the centrifugal force generated as the screw rotation suddenly stopped with the explosion. A civilian committee member who conducted the simulation analysis has already said, however, that it is impossible to recreate the same situation. This is because if one supposes that the Cheonan suddenly stopped, what would have appeared would be all the blades folding inside like a flower bud, not just the tips bending. In response to the Russian investigation
team’s finding that the damaged screws were shaved so that they were shiny, the Defense Ministry explained that the barnacles attached to the blade of the left screw remained mostly as they were. It could be said, however, that this explanation has nothing to do with the discussion, as it was the bent right screw where the problem was concentrated. Some domestic experts have also pointed out that netting, with soft but with strong tension, could get caught in and scratch up a screw even as it rotates. This is a third theory that casts doubts about both the Russian and Defense Ministry’s explanations. The Russian report mentioned the possibility that a floating mine sank the Cheonan. In response, the Defense Ministry said that the mines were laid in the late 1970s to prevent a North Korean vessel from landing on Baengyeong Island, and that the lead wires had been cut and all the mines disabled. A retired high-ranking admiral, however, has already testified that there are active mines deployed in the seas. He said if the sheath of the leading wire is removed, it is possible for the mine to go off just from the voltage flowing through the Cheonan. The emergence of diverse opinions on the cause of the sinking, including the torpedoes, running aground, mines and a complexity of causes, calls have also increased for a reinvestigation. Lawmaker Hong Young-pyo, a member of the main opposition Democratic Party’s (DP) special parliamentary committee to find the truth behind the sinking, called on the ruling Grand National Party (GNP) to immediately agree to a parliamentary investigation. Meanwhile, minor opposition Democratic Labor Party (DLP) spokesman Woo Wi-young said in a statement that the solution was a full-scale reinvestigation. (Ha Uh-yeong, “Lee Administration Responds to Russian Investigation Report,” Hankyore, July 28, 2010)

An advisory panel to Prime Minister Naoto Kan has compiled a preliminary report that if implemented would see a more robust military and less reliance on a diminished United States, while marking a sharp departure from the current national security policy. A centerpiece of the draft is its call for a more aggressive role for Japan to play in the national security of its surrounding regions rather than to simply depend on the military power of the United States. The report cites the need for a greater role by Japan in part because of the relative decline in the standing of the United States. Pointing to the advances by the Chinese navy and the development of nuclear weapons and ballistic missiles by North Korea, the report states, “It will become more important in the future for the nations of the region, including Japan, to possess the will and ability to maintain stability in the region.” The report calls the thinking of a “fundamental defense capability” that had been in place during the Cold War as “no longer effective.” Rather than the equal deployment of SDF members throughout the nation as called for by that outdated thinking, the draft report suggests that SDF members be redeployed with an emphasis toward the island chains stretching from off the southern tip of Kagoshima Prefecture on Kyushu to the east of Taiwan. The waters in that area have been the scene of increased activity in recent months by the Chinese navy. The report also calls for strengthening joint operations with the United States and notes the need to have a missile defense system capable of hitting enemy bases. The report says, “To prevent a military attack in the region, it is important to possess a functioning dynamic deterrent by paying the costs during normal conditions.” The report says Japan should strengthen the mutual and complementary nature of its role in the alliance with the United States and calls for improving the SDF’s anti-submarine
warfare capability and minesweeping ability. The report stresses that increasing Japan's submarine fleet is "a rational choice." The report calls on Japan to support the United States as its relative position declined in relation to China. It also says Japan should aggressively carry out a supplementary role to the United States in dealing with the threat from North Korea. The report says a conclusion should be reached on the exercise of Japan's right to collective self-defense, especially in connection with shooting down missiles heading for the United States. On the three non-nuclear principles, the report says, "It may not necessarily be wise to have as a principle anything that unilaterally limits what the United States can do beforehand." The wording indicated that Japan should consider reviewing the principle of not allowing nuclear weapons to be brought into Japanese territory. The review of the non-nuclear principle was likely proposed because a Foreign Ministry investigation this year found that U.S. Navy ships had repeatedly arrived at Japanese ports while equipped with nuclear weapons. At the same time, Foreign Minister Katsuya Okada also stressed when the investigation report was released that Japan would not change its three non-nuclear principles. The report also calls for a review of the ban on exporting weapons to allow Japanese companies to take part in joint development and production of military equipment even with companies from nations other than the United States. After it is presented to Kan, the report could provide the foundation for a review of the National Defense Program Outline that is slated for the end of the year. It would be the first such review led by the Democratic Party of Japan. While some aspects of the report appear to be sudden changes in defense policy, the possibility of the proposals actually being implemented remains small. (Asahi Shimbun, "Panel Urges Tougher Defense Posture, Citing China, N. Korea,"July 27, 2010) A Japanese government panel will recommend deploying more armed forces in coastal areas that have seen heavy Chinese naval traffic and relaxing rules on nuclear arms transfers. The expert panel argues that Japan's Cold-War era defence guidelines have become outdated and that the pacifist nation must prepare for "contingencies" on the Korean Peninsula and in the Taiwan Strait, and small-scale invasions. The recommendations will be sent early next month to PM Kan before Japan revises its defence guidelines in December, Yomiuri Shimbun and Asahi Shimbun reported without disclosing their sources. Japan, which has been officially pacifist since the end of World War II, has since relied on wartime victor the United States for defence and nuclear deterrence, with some 47,000 US troops now based in Japan. Japan has also had a policy of not making, owning or allowing on its territory any nuclear weapons and has campaigned for their abolition, seeking to prevent more atomic attacks such as those on Hiroshima and Nagasaki. However, the panel recommends that Japan permit the transfer of nuclear arms through its territory -- something Japan has already secretly allowed US forces to do in the past, according to recently released documents. The draft recommendations argue that the US "nuclear umbrella" to protect Japan is necessary and "does not necessarily contradict the goal of a total elimination of nuclear weapons", the Asahi said. The panel, made up of defence experts, academics and former officials, also argues that Japan should be able to take military action to defend the United States without breaching its war-renouncing constitution. "From the viewpoint of strengthening the Japan-US alliance, there should be political will... to allow (Japanese forces) to attack missiles bound for the United States," the paper said, according
China proposed to Japan specific measures aimed at building a maritime communication system between defense officials of the two governments to prevent accidental clashes in the East China Sea and other waters, sources with the Japanese and Chinese governments said on August 14. The measures include holding an annual meeting between the two countries to review events of the past year and setting up a hot line between Japanese and Chinese defense officials, the sources said. Tokyo, taking Beijing’s move positively, is hoping to accelerate bilateral talks with a view to reaching agreement on the measures by the end of this year. The Chinese navy’s growing outer sea capabilities have led to frequent cases of maritime friction between Japan and China in the East China Sea. But there are differences to be overcome, such as Tokyo’s call for the hot line to be set up between the defense ministers, whereas Beijing considers such a level too high to respond promptly to emergencies, the sources said. Difficulties are also expected in bilateral negotiations because China may be attempting through the proposed measures to put the brakes on Japan’s monitoring activities in the waters concerned, according to the sources. The Chinese government presented the proposals on July 26 in Tokyo during a bilateral joint working group meeting of defense officials held for the first time in more than two years, the sources said. The proposed measures also include holding a conference to discuss ways to deal with emergency situations and sharing of frequencies and signals used by ships and airplanes in times of emergency, they said. The two sides have basically agreed on sharing frequencies, and Japan is positively considering the annual meetings as well as the conference, according to the sources. The next working group meeting is scheduled to take place in Beijing, they said. “We have set up communication systems with the United States and South Korea, although the mechanisms are different. We have no (such arrangement) with Japan only, and there have been problems,” a Chinese diplomatic source said. (Kyodo, “Beijing Proposes Maritime Measures,” Japan Times, August 15, 2010)

U.S. Senator John Kerry, chairman of the Senate Foreign Relations Committee, said that high-level dialogue is needed for peace on the Korean Peninsula. At a special address for a Korean peace and security forum seminar at the U.S. Congress, Kerry’s statement called on President Barack Obama to pursue a “peaceful, negotiated solution to the underlying security challenges that have kept the Korean Peninsula locked in a Cold War for far too long.” In order to do this, Kerry said it was more important than ever to look for a way to restart dialogue at an early date. (Hankyore, “John Kerry Calls for High-Level Dialogue with N. Korea,” July 29, 2010)

Steinberg: “These exercises are about North Korea. They are designed to demonstrate, in response particularly to the Cheonan but more generally in terms of our relationship, that the United States and Korea are both working together and are capable of responding to any kind of provocation that North Korea might engage in. And if they were to, in any sense, draw the conclusion that there were doubts about our capabilities or ability to work together, that would be a serious miscalculation on their part. And sometimes you have to do this pretty explicitly. And so the exercise – we
exercise all the time. As many of you know, and Chris certainly knows, we exercised in the Yellow Sea with the George Washington less than 12 months ago. But clearly, the timing of this was to demonstrate a clear need to bolster deterrence and dissuasion from further provocations by North Korea. And it wasn’t about China. And I think trying to turn this narrative to be one about China misunderstands the purposes of the exercises. At the same time, so that there is no mistake about our intentions, we made clear that we will exercise when and where we want to when we need to consistent with international law. And that, as I’ve said, we’ve clearly indicated in the past. We’ve exercised in the Yellow Sea. We will exercise in the Yellow Sea again. But I think there were some people who wanted to turn this into an issue about China, and we wanted to keep the focus on what we think the proper focus ought to be – on North Korea both to dissuade them from further provocations and also to remind them that there is a more constructive path that they could move forward on, and that is to recommit to the 2005 joint statement and move seriously on the path of denuclearization. With respect to the South China Sea, I think this is an issue that’s been bubbling around for a long time. I was in Vietnam last year. This was clearly a preoccupation there. We’ve seen this in other ASEAN countries. And I think what we’ve seen is a sense that there is a risk that without some more explicit discussion about these issues, that we could both have run the risk of an incident, which could be damaging to security in the region, but also to foster some long-term competition, which is in nobody’s interest; and frankly, that the time had come to just make this more explicit and to bring it out in the open, as it were, because it’s clearly on everybody’s mind. And I think what the Secretary wanted to do was essentially to say, we know we’re all thinking about this and we know we’re all anxious about this; rather than let this fester and become a problem, let’s have an open discussion about how to take this forward and find a more constructive way to deal with it. And I think that was largely welcomed by the other ASEAN countries, because it is more comfortable to have others around when these are being discussed. And since it is obviously on everybody’s mind, rather than to have it sort of off in the background, to bring it out into the foreground. And so I think that’s the context there. With respect to Taiwan arms, you all know the mantra. I’m looking at Doug Paal. We do not consult with China on Taiwan arms sales. We make a judgment based on what we believe are the legitimate defensive needs of Taiwan for arms sales. That doesn’t mean we don’t tell the Chinese after we’ve made our decisions what we’re doing and why we did it. And one of the things that we tell them why we did it is because of them. I mean, defensive needs are determined in response to the perceived security environment. So there was, to my knowledge – I wasn’t at the S&ED – there was no formal proposal by the Chinese for a consultative mechanism, so there was nothing for us to say no to. But we have always been prepared to say we are prepared to discuss security in the region and we will articulate our concerns about China’s military modernization, and particularly its missile deployments there. And if they want to raise concerns, we listen to their concerns. They have raised their concerns about arms sales for as many years as we’ve been selling arms, and we’ve responded to them. And that’s what dialogue is about. It doesn’t mean we’re there to conspire with them on what to do or give them a voice in what to do. But we can certainly hear their perspective on what their concerns are and that’s something that we can take into account as we formulate our own decisions about that, just as they need to hear what our concerns are about their activities, both their political orientation towards Taiwan and how they’re interacting
with the Taiwanese authorities and in terms of their military modernization. So there is another place where dialogue is appropriate even if it isn’t about consulting about what to do. **Q:** Dennis Wilder, former fellow at Brookings - (laughter) - and other things. You mentioned the offering of a path to the North Koreans and yet we seem to have offered them a path for a long time and they have rejected the path. When you think about this new leader, Kim Jong-un, and the fact that sooner rather than later, it looks like, he will be the new leader, what can we do? How can we approach this new leader of North Korea? What ideas have you developed (inaudible)? **STEINBERG:** I think, as you know, trying to kind of suss out the dynamic and the thinking and reasoning of North Korean leadership is really a pretty perilous proposition. I mean, there are many theories, there are many arguments, and the analysts have exchanges and stuff about what’s going on. And I think that any of the theories are useful to sort of stimulate your own thinking about possible approaches, but it’s very dangerous to sort of think, well, this is what is really going on, so I’m going to build my strategy around it. So I think - I always sort of think about this as my general philosophy about policy planning - is you try to minimax against the range of possibilities. And we can think of a range of scenarios that might take place as we contemplate what is obviously some element of transition. I think that part is indisputable. But whether - who this guy is, whether he’s really going to be the leader, whether the military would be stronger or the party would be stronger, you can trace out the scenarios, but you try to develop a strategy that will work - be most effective against the broadest range of scenarios. And that, I think, is in some ways very straightforward, which is to make clear that even in their own terms they will be less well off if they continue down the path they’re going. They will be less secure. They will be less secure in both senses. They will be less secure in the military sense, but the regime will be less secure and they will less be able to pursue whatever this range of interests they may be interested in pursuing if they continue to move down. And conversely, they will be better off if they take the other path. And I think that’s true. And I think that basic strategy holds irrespective of whether it’s Kim Jong-un or whether it’s the regent or whether it’s the party that’s going to rule. And I think it’s a more reliable strategy than trying to kind of guess what’s in his mind, especially because, one, I think it’s almost impossible for us to know, and second, it’s not clear whether he would be the one who’s making the decisions in any event. But I do think what we’ve tried to do very clearly - and it’s a drawn out process and people have talked about strategic patience, I don’t know what the right word is - but I think we’ve had a long period of trying to condition the North Koreans into persuading them that the old tactics aren’t going to work, the tactics of provocation and payoff, the tactics of hoping to be salami-sliced and paid for talking rather than doing. And that has, as a result, given a long period of time in which they’ve tested various avenues to try to get what they want without having to give up what they don’t want to give up. And one hopes that eventually they will come to the conclusion and really face that binary choice, which is if they really want to get these things, they really are going to have to do something serious. There’s no guarantee that strategy is going to work, but I have yet to see a better one. And at least we’re not persuaded that strategy has played out unsuccessfully yet. I think there is a potential opportunity with the transition, but also risks in transition, and we have to be sensitive to that as well. But I do think that the strong bond and collaboration that’s
been built between us and the South Koreans is critical. I hope the ambassador shares that view. I think the fact that after some period of perhaps not having as good trilateral engagement over these issues, we now have a better trilateral engagement, which means we have a good alignment between South Korea and Japan and the United States on these issues, and that China and Russia understand that we’re not going to make concessions in the absence of significant indications by North Korea that they’re willing to move forward. And that’s – it is a little bit insensitive to the specifics of the individual who is going to be potentially the successor, but I think in some ways we’re on a safer course not trying to tailor it to a guess about what that might mean. **Q (AMB STAPLETON ROY):** My question relates to things you’ve just been discussing and maybe you’ve said about all you can say on the subject, Jim. But the issue in my mind is this question of a roadmap and where we’re going on North Korea. Everything we’ve been doing around the Korean Peninsula is for a purpose. But there have been – and it’s a rational purpose. But there have been Shakespearean alarms and diversions that have muddied the water, and in particular the solidarity among the five, at the moment, seems less strong. The solidarity of the three, as you’ve just noted, is a very positive outcome of this. But among the five, it’s not so clear that we have. There are two issues involved here. One is the nuclear issue and one is the question of the strategic interests with regard to the Korean Peninsula. It seems to me that on the nuclear issue, perhaps things haven’t changed. The five still have common view of what they would like to see, but now it looks as though the strategic alignment in terms of what comes out of all of this may be opening up fissures that are potentially quite severe. And the question is: Does the Administration have a roadmap in terms of how we work our way through this, particularly given the timing factors? We have an election here in 2012, we have the 100th anniversary of Kim il-Sung in North Korea, and we have the succession issue. We have the party congress in China in 2012. And the last year of administrations is always you never see any progress in anything involving North Korea. So the timing factors are becoming important now. And at the moment, the climate is not very good for trying to move a process along. **STEINBERG:** I’m not sure that I agree on the timing issues, because I think it’s uncertain how the Korean 2012 timetable plays into this. You can argue it either way. You can either argue that this may be a period of caution because it’s a period of succession in the North, or it may be a period of opportunity when legacies can be created and choices can be made. And I don’t know the answer to that. And I think we have to test the proposition that this is a time in which progress can be made. And, I think there’s frankly no harm in doing that. With respect to the sort of strategic alignment, we’ve – unlike the mil-to-mil, where we don’t talk as much as we should, we do talk a lot with the Chinese and the Russians about these issues. And I think that part of what we have tried to stress is to try to reframe the way we see the choices and to try to get our Chinese counterparts to reframe for themselves the way they see these choices. I think there are two indisputable facts about how China sees the issue of North Korea, which is, one, I genuinely believe, that they think that everybody would be better off with a nonnuclear North Korea. I don’t think there’s any doubt about that. I don’t think that even among hardliners in China that there’s any desire to see that. It’s not in China’s interest. Frankly, it’s not in China’s interest for anybody else to have nuclear weapons. If you’re going to be one of the five or whatever, you’re just better off not having others have it. But second, they obviously
worry about instability in the North. And so they tend to sort of have those two parameters and they’re kind of working between these two parameters. The way we have tried to encourage them to rethink this is that they seem to believe that if you just don’t rock the boat, that will help preserve stability on the peninsula - don’t push, don’t ask the North Koreans to do too much, more than they can do, nudge and encourage them, but not push them as much. And what we’ve tried to convince them in extensive dialogues, and you know this well, is that, actually, that not pushing this and not pushing the issue more creates more instability rather than less, and that there are greater dangers from not pushing the issue and not trying to move forward, not only because it creates greater risks of conflict on the peninsula, but it also changes the broader strategic environment in Northeast Asia in ways that China presumably would not welcome. The more we face a provocative and dangerous North Korea, the more we have to do exercises like the ones that China doesn’t particularly like to have us do, not because they’re directed against China, but clearly, China doesn’t like to have do. The more North Korea develops Taepodong-2s, the more we have to accelerate the deployment of missile defense in Northeast Asia, something also China is not that welcome to, the more we have to sustain various kinds of deployments in the region. So we encourage China to think about this issue from a different landscape and hope that that will lead to a different set of outcomes. We need to have that dialogue, because we need to make clear that this is not done in any way to prejudice China’s interests. We’re perfectly prepared to have a conversation with China about the long-term future of the peninsula. I think our South Korean counterparts are eager to have that conversation with China too. We may agree, we may disagree, but we need to have those conversations. So I don’t think there’s – it’s not that the gap is getting wider. It’s more that we need to deepen that conversation with China particularly and with Russia to some extent as well. But I don’t think it’s because there’s a fundamental divergence about these things so much as that because of their – the tactics that China is pursuing, there is a risk over time that could lead in a direction which would increase the problem. MODERATOR: Don’t we face a dilemma if we’re telling the Chinese that resolution of North Korean issues then will change U.S. deployments or missile defense or exercises of the right to operate in the EEZ? DEPUTY SECRETARY STEINBERG: No, I think we face some choices. We will defend our interests and we will protect our alliances, and we will do that in the context of the threat that we face. If China can be helpful in reducing that threat and changing the situation in North Korea, obviously, we will make our adjustments accordingly. But I think that it just - the point is for China to understand that there are consequences for the way in which it engages on the North Korea question - not directed against China. They are clearly not directed at China. We’ve made clear we don’t do this in any way to diminish China’s security, but we also can’t decline to protect our security and our allies’ security because China is concerned about the collateral consequences of what we feel is necessary to do.” (DoS, Deputy SecState James B. Steinberg, Remarks at the Nixon Center, July 27, 2010)

7/28/10 The ruling Grand National Party won five of the eight legislative seats up for grabs in the elections, narrowly defeating the liberal Democratic Party. Overturning dark pre-election prospects, the ruling GNP grabbed two seats in the politically-neutral Chungcheong area, apparently overcoming the voter backlash triggered after the
The president sought earlier to kill his predecessor’s plan to relocate part of the government to the region. The ruling party also saw victory in Seoul’s Eunpyeong district, which was considered a key battle ground with the president’s most trusted confidant competing against a unified opposition candidate who represented three liberal parties. The president is also expected to have a bigger say in the ruling party with the two aides -- Lee Jae-oh and Yoon Jin-shik -- adding to the influence of his faction. The main opposition DP, meanwhile, was left with disappointments as it had previously boasted confidence in defeating the ruling bloc again. The liberal party, however, managed to win two of the three seats contested in the northeastern province of Gangwon, a sign it regards as lingering voter discontent against the Lee government and its policies. Voters in Gangwon, which borders North Korea and is largely isolated from the rest of the country geographically and culturally, have generally supported the conservative GNP in past elections, but have been showing increasing support toward liberal candidates since the June local poll. The DP, which now controls 87 seats in the 299-member unicameral parliament to the ruling party’s 171, will likely continue working on strengthening cooperation with minor liberal parties to discourage the president’s costly ventures and secure a stable foothold ahead of the 2012 presidential vote. Among some 1.36 million eligible voters, a higher-than-expected 34 percent took part in the vote Wednesday, according to preliminary counting. It is unusual for the voter turnout to top the 30-percent mark during the summer vacation season. (Shin Hae-in, “Ruling Party Wins By-Elections,” Korea Herald, July 28, 2010) Two trusted associates of President Lee Myung-bak won legislative seats in by-elections, saving the face of the embattled leader and his conservative party, which had been reeling from the previous election loss. Lee Jae-oh, former chief of an anticorruption body, and Yoon Jin-shik, former presidential secretary for economy, gained the posts in the generally politically-neutral regions of Seoul and Chungcheong, respectively, giving the president new momentum as he enters the second half of his five-year term. The two, running on the ruling Grand National Party’s ticket, had competed against unified opposition candidates representing more than one party. (Shin Hae-in, “Victory of Key Aides Anticipated to Give Lee Renewed Momentum,” Korea Herald, July 28, 2010)

John Kerry: “Even as we are fully prepared to deter and defend against any North Korean aggression … we must remain equally ready to pursue a peaceful, negotiated solution to the underlying security challenges that have kept the Korean Peninsula locked in a cold war for far too long. It is not enough for us to avoid another war on the Korean Peninsula. We must forge a lasting, just peace. That is …why it is more important than ever that we find a path forward to the resumption of dialogue with the DPRK as soon as possible.” Senator John Kerry (D-MA), Senate Foreign Relations Committee chairman, July 28, 2010

North Korea sold missiles to the Taliban in Afghanistan in November 2005 even as the North was taking part in six-party nuclear disarmament talks, a U.S. intelligence report claims. The report is among confidential documents that constitute the so-called "war logs" released by the website WikiLeaks. According to the Washington Post, "A powerful Afghan insurgent leader and a man identified as Osama Bin Laden’s financial adviser purchased ground-to-air missiles from North Korea in 2005." It quoted the
intelligence report as saying, "On 19 November 2005, Hezb-Islami party leader Gulbuddin Hekmatyar [sic] and Dr. Amin [no last name], Osama Bin Ladin’s financial advisor, both flew to North Korea departing from Iran." "While in North Korea, the two confirmed a deal with the North Korean government for remote controlled rockets for use against American and coalition aircraft." The shipment was expected in early 2006 but the terms of the deal were not printed, the report said. In 2007, about 18 months after the deal, a U.S. CH-47 Chinook helicopter was downed by a missile near the Helmand River in Afghanistan. The weapon was assessed to be bigger than the usual rocket-propelled grenades insurgents use. "If true, it illustrates the length to which North Korea will go to kick the United States -- and generate cash for its sanctions-strapped economy," an expert told the paper. "If they are a paying customer, that would help the North Korean cash flow... Arms sales are an important source of income for the regime." (Chosun Ilbo, “N. Korea ‘Sold Missiles to Taliban,’” July 28, 2010) Text of the intelligence report: “THREAT TO AIRCRAFT IN HELMEND PROVINCE Organization(s) Involved: HEZB E ISLAMI GULBUDDIN TEXT: on 19 november 2005, hezb-islami party leader, gulbuddin hekmartyr and dr. amin ((nln)), usama bin laden’s financial advisor, both flew to north korea departing from an iran. they returned to helmand //geocoord: 3100n/06400e//, afghanistan on approximately 03 december 2005. while in north korea, the two confirmed a deal with the north korean government for remote controlled rockets for use against american and coalition aircraft. the deal was closed for an undetermined amount of money. the shipment of said weapons is expected shortly after the new year. nfi. upon return from north korea dr. amin stayed in helmand, and hekmartyr went to konar, nuristan province.”

Although the WikiLeaks “revelation” produced headlines like CNN’s “Shoulder-fired missiles a threat to US troops in Afghanistan,” the fact is that the Taliban has not been deploying the uniquely devastating weapon in any meaningful numbers -- if at all. The question is why? “Good question,” said Reuel Marc Gerecht, a former Middle East specialist in the CIA’s directorate of operations. “I suspect the answer is lingering fear of the American reaction. Al-Qaeda and Hekmatyar would need either official Iranian or Pakistani assistance to pull this off…. Blowing American helicopters and planes out of the air with traceable weaponry is just a different level of provocation.” Michael Scheuer, a former CIA analyst who once ran the agency’s bin Laden unit, doubts that the Taliban has bought North Korean’s version of the Stinger. It doesn’t need them, he says. “They have the weapons from non-North Korean sources, but why bother using them?” he said. “They are beating the U.S. and NATO with a smaller array of weapons than they needed to drive out 40th [Soviet Red] Army, so why use the stockpiled weapons if we are going to beat ourselves?” Even if the Taliban has them, says Gary Bernsten, a former CIA officer in Afghanistan, the rebels would risk their lives every time they turned them on. Instead, he said, “They have, and try to use, dishkas,” Russian heavy anti-aircraft machine guns “that can knock down a helicopter with troops.” Of course, the report of the North Korea visit by Hekmatyar and bin Laden aide Amin al-Haq (or ul-Haq) might well have been false -- or even fabricated to implicate Pyongyang, some sources said. As one former senior CIA officer put it, “You are right to distrust information on this topic, since every serious intelligence organization in the world, and certainly our own, is probably engaged in disinformation as part of a general psy-ops program.”Hekmetyar, he pointed out,
could “get in touch with the North Koreans without a traceable trip to Pyongyang, like by sending an emissary to [their] embassy in Islamabad or some other Third World country nearby, including Iran.” (Jeff Stein, “Ex-Spies Ponder N. Korean Missile Sale to Taliban,” Spy Talk, Washington Post Blog, August 10, 2010)

Committee for the Peaceful Reunification of the Fatherland: “The anti-Republic confrontation and war maneuvers of the United States and the South Korean puppet gang are being frantically carried out at an extremely dangerous level. Clamoring about some “display of deterrent power against the North” and “demonstration of armed force” since the 25th [July 2010], the United States and the puppets are now carrying out combined naval training of northward aggression on the greatest scale in the East Sea of Korea by mobilizing the latest war equipment, including a nuclear aircraft carrier; in mid-August, they intend to conduct the “Ulchi Freedom Guardian” joint military exercise; and intend to frantically launch exercises for a war of northward aggression on the sea, in the air, and on the ground continuously until the end of the year. Meanwhile, since the game of fabricating a “resolution of sanctions against the North” at the United Nations failed, the United States and the puppet gang are rampaging more desperately in anti-Republic confrontation racket while conducting something called a “meeting of foreign and defense ministers” in Seoul and talking about some “unilateral sanctions” and war exercise program based upon fabrication of a new scheme against us. This is another great provocation against us and an arrogant defiance against peace-loving opinion at home and abroad. Along with the entire nation, the Committee for the Peaceful Reunification of the Fatherland is unable to contain its surging anger at this extremely dangerous “meeting of foreign and defense ministers” and commotion for a war of northward aggression that the United States and the puppet gang have launched, and it severely denounces and condemns this as an intolerable criminal act meant to ultimately explode the tinderbox of all-war on the Korean peninsula. The US and South Korean “meeting of foreign and defense ministers,” which is a wicked political interlude to retaliate for the shameful defeat and disgrace they suffered on the UN stage and to redeem themselves, plainly revealed the sinister intent to justify their smear confrontation racket over the warship sinking incident by whatever means and aggravate the situation to drive it to the extreme. In particular, the fact that the US secretary of state and secretary of defense came out together and scurried about in the forward area of the military demarcation line and the P’namunjo’m central dividing line, which is something that is unprecedented, cannot but be an extremely dangerous prelude to war that recalls the Seoul junkets of US Defense Department and State Department heads and the 38th parallel inspection by US presidential envoy Dulles on the eve of the last Korean war. All the movements of the United States and the puppets show that the US plan for a war of aggression against the Republic has finished final review from the diplomatic and military perspective and is about to enter real-war operation. Speaking of the puppet ship sinking incident in the matter, the truth has not been explained yet, so the intention to resolve the issue through the method of dialogue and negotiation at the United Nations was expressed, and discussions are underway between the United States and the DPRK on sending an inspection team from our National Defense Commission to the site to unveil the truth. The fact that, in spite of this, the United States and the puppets linked the ship-sinking incident to us and launched a racket for
some kind of “sanctions” and “punishment” shows in itself that they truly are an arrogant, lawless criminal group that has no concern for the United Nations or public opinion at home and abroad. As the United States and the puppets bring the Japanese reactionaries into the anti-Republic smear and confrontation racket and strengthen collusion between the United States, Japan, and South Korea now, they are heading toward realization of a “three-nation military alliance” by even having Japan’s “Self-Defense Force” participate in this combined naval training under the pretext of “observer.” All the facts prove more clearly that the puppet ship sinking incident is a gross smear act that was fabricated to crush our Republic to death, prepare an excuse for a war of northward aggression, maintain and expand the power of US domination in the Northeast Asia region, and build an aggressive military “alliance.” If the United States and the puppets start a fire in the East Sea, the West Sea, or anywhere in the waters of the Korean peninsula, that spark will jump not just to the Korean peninsula, but over the whole of Northeast Asia, and that will eventually spread into a new world war. The United States and the puppets are trying to frighten someone with some “demonstration of armed force” and “warning,” but our people do not bat an eyelash at that. Smashing “strength” with strength and “sanctions” with sanctions is our temperament and mettle. **Our army and people, as they have already made clear, will firmly respond to “displays of deterrent power” from the enemies with greater, more fierce deterrent power consolidated through the military-first idea.** The Lee Myung-bak gang wants to stick with the United States to prolong its days after it loses South Korean popular favor completely, but that will only accelerate its self-destruction. The United States and the puppet gang should clearly understand that all they will get from anti-Republic confrontation and war maneuvers is disgrace and shameful defeat and not recklessly run amok.” (KCNA, “DPRK CPRF Pledges Stronger ‘Deterrent’; Decries ROK-US-Japan Military Alliance,” July 27, 2010)

**7/29/10**

Prime Minister Chun Un-chan told the nation he will step down from his post, ending a turbulent 10-month term marred by a failed attempt to revise the Sejong City development program. “A series of major political events has concluded with the July 28 by-elections, and I believe a clean slate has been prepared for the president to start the second half of his term,” Chung said in a press conference televised live. “As a responsible public servant, I decided now is the opportunity to make public my intention to resign.” Chung candidly recalled the failures and achievements of his term. “Ten months were too short to accomplish what I had aimed for, and Korea’s political landscape was too rough,” Chung said, expressing regret over failed education reform. “Above all, a revised blueprint for the Sejong City was created for the long-term future of the nation, but I failed to accomplish it,” Chung said. “It is not only a matter of personal regret, but also a matter of remorse that I had failed to prevent the expected confusion and the waste of the national energy in the future (by moving government offices out of Seoul).” (Ser Myo-ja, “Prime Minister Steps Down,” JoongAng Ilbo, July 29, 2010)

**7/30/10**

North Korea will go ahead with a “strong deterrent” based on its self-defensive policy if it determines the United States has abandoned its intent to resolve the March sinking of a South Korean warship through dialogue, said Chosun Sinbo, a newspaper published by a group of pro-North Korean residents in Tokyo. “The military drills that
run counter to an atmosphere for dialogue is highly likely to instantly turn around the mood” that appeared to thaw after the U.N. Security Council recently urged talks over the sinking. The drills only raise military tensions and do little to stop the North from “continuing to strengthen its nuclear deterrent.” (Sam Kim, “N. Korea to Use ‘Strong Deterrent’ in Lieu of Dialogue: Paper,” July 26, 2010)

Military officers from North Korea and the U.S.-led U.N. Command met for a third round of talks about the deadly sinking of a South Korean warship blamed on Pyongyang. U.N.C. spokesman Kim Yong-kyu said colonel-level officers from the two sides held talks at the border village of Panmunjom inside the Demilitarized Zone dividing the two Koreas. He did not give any immediate details, saying the command planned to issue a statement later today. (Associated Press, “North Korea, UN Command Hold Talks in Ship Sinking,” July 30, 2010)

South Korea’s military will hold its own anti-submarine exercise in the Yellow Sea August 5-9. The drill will involve the army, navy, air force and marines, said a spokesman for the Joint Chiefs of Staff. Seoul and Washington have also held talks about staging a joint military exercise in the Yellow Sea in September, the spokesman said. (AFP, “N. Korea Holds More Talks with U.S. Military on Ship Sinking,” July 30, 2010)

The Obama administration has adopted a tougher tone with China in recent weeks as part of a diplomatic balancing act in which the United States welcomes China’s rise in some areas but also confronts Beijing when it butts up against American interests. Faced with a Chinese government increasingly intent on testing U.S. strength and capabilities, the United States unveiled a new policy that rejected China’s claims to sovereignty over the whole South China Sea. It rebuffed Chinese demands that the U.S. military end its longtime policy of conducting military exercises in the Yellow Sea. And it is putting new pressure on Beijing not to increase its energy investments in Iran as Western firms leave. The U.S. maneuvers have prompted a backlash among Chinese officialdom and its state-run press, which has accused the United States of trying to contain China. FM Yang Jiechi issued a highly unusual statement on July 26 on the Foreign Ministry’s Web site charging that the United States was ganging up with other countries against China. saying that there was no need to internationalize the issue, that China was still intent on solving all of the disputes bilaterally and that China’s view represented the interests of “fellow Asians.” The statement said, "After the meeting, about a dozen Asian delegates expressed their congratulations to the Chinese side," despite what many in the meeting thought were clear indications that most of the participants supported the U.S. view. One prominent academic, Shen Dingli of Fudan University, compared the planned U.S. exercises in international waters of the Yellow Sea to the 1962 Russian deployment of nuclear-armed missiles in Cuba. U.S. officials explained the moves as part of a broader strategy to acknowledge China’s emergence as a world power but to also lay down markers when China’s behavior infringes on U.S. interests. So at the same time that the administration has welcomed China into the Group of 20 major economies, held the biggest meeting ever between U.S. and Chinese officials, and backed China’s push to increase its influence in the International Monetary Fund and the World Bank, it is also seeking to limit what it thinks are China’s
expansionist impulses. To this end, the Obama administration has also intensified its
diplomacy and outreach to other Asian and Oceanic nations, ending a 12-year ban on
ties with Indonesia’s special forces and strengthening its alliances from Tokyo and
Seoul to Canberra. The strategy has won rare acclaim in Washington among the
generally fractious community of China watchers. James Mulvenon, director of
Defense Group Inc.’s Center for Intelligence Research and Analysis, called it “a
masterful piece of diplomacy” in dealing with China, which, he said, “continues to be
this paradoxical combination of bluster, swagger and intense insecurity and caution.”
The decision to confront China on the South China Sea dates back several months,
after administration officials noticed that the sea -- an international waterway through
which more than 50 percent of the world’s merchant fleet tonnage passes each year --
had crept into the standard diplomatic pitter-patter about China’s "core interests." In
March, Assistant Minister of Foreign Affairs Cui Tiankai told two senior U.S. officials that
China now views its claims to the 1.3 million-square-mile sea on par with its claims to
Tibet and Taiwan, an island that China says belongs to Beijing. In addition, Southeast
Asian nations had informed the United States that they, too, were uncomfortable with
China's pressure on countries and companies interested in exploring for gas and other
minerals in the sea. China had warned Exxon Mobil and BP to stop explorations in
offshore areas near Vietnam. It had also begun routinely arresting or harassing fishing
vessels from other countries, according to sources from the region. The U.S. response
was unveiled July 23 in Hanoi when 12 nations -- Vietnam as the first and the United
States as the last -- raised the issue of the South China Sea at an annual security forum
of the Association of South East Asian Nations. Calling freedom of navigation on the
sea a U.S. "national interest," Secretary of State Hillary Rodham Clinton offered to
facilitate moves to create a code of conduct in the region. And then she said:
"Legitimate claims to maritime space in the South China Sea should be derived solely
from legitimate claims to land features." Translated, it meant that China's claims to the
whole sea were "invalid," said a senior administration official, because it doesn't have
any people living on the scores of rocks and atolls that it says belong to China. FM
Yang reacted by leaving the meeting for an hour. When he returned, he gave a
rambling 30-minute response in which he accused the United States of plotting against
China on this issue, seemed to poke fun at Vietnam's socialist credentials and
apparently threatened Singapore, according to U.S. and Asian officials in the room.
"China is a big country and other countries are small countries, and that's just a fact," he said, staring directly at Singapore's foreign minister, George Yeo, according to
several participants at the meeting. The Obama administration has also pushed back
on statements, particularly from China's People's Liberation Army, over planned
military exercises in the Yellow Sea -- thousands of miles to the north. The United
States and South Korea have been planning the exercises after the March 26 sinking of
a South Korean warship that left 46 sailors dead. An international investigation of the
incident pointed to North Korea as responsible for the attack. But then China inserted
itself into the debate, claiming that any military exercise in the Yellow Sea would be
seen as threatening to Beijing -- something that struck U.S. officials as unnecessarily
complicating what was supposed to be a simple message of U.S.-South Korean
solidarity in the face of an attack by Pyongyang. On July 3, Gen. Ma Xiaotian, the
deputy chief of general staff of the People’s Liberation Army, told the Phoenix TV
channel that "as far as these exercises are conducted . . . in the close proximity to our
territorial waters, we strongly protest.” Yet in November, the USS George Washington, an aircraft carrier, had been in the Yellow Sea without eliciting criticism from China. In an attempt to cool China’s ire, the administration conducted its first exercise this week with the USS George Washington in the Sea of Japan (also known to Koreans as the East Sea) farther from China’s coast. But partly because China made an issue of it, a second exercise is also being planned -- in the Yellow Sea. U.S. officials also predicted that the George Washington will soon be back in the region -- this time in the Yellow Sea. Finally, the Obama administration continues to push China over Iran. The United States won Beijing’s support for enhanced U.N. sanctions on Iran in June after Tehran’s refusal to halt its program to enrich uranium. As part of the deal, the sanctions were kept relatively weak, and China, which has substantial investments in Iran’s energy sector and is Iran’s third-largest oil customer, was exempted from many of them. But now U.S. officials are concerned that as Western countries enact additional sanctions on Iran -- the United States, Canada and the European Union have all slapped on more in recent weeks -- Chinese state-owned energy firms will step in as Western and Japanese investments dry up, negating any possible effect of the measures. “We’re not done on Iran,” said the senior administration official. “We are looking for maximum Chinese restraint.” (John Pomfret, “U.S. Takes a Tougher Tone with China,” Washington Post, July 30, 2010, p. A-1)

The United States will take a different tack in imposing sanctions on North Korea than it has with Iran, the State Department said. “We don’t take a cookie-cutter approach here,” spokesman Philip Crowley said. “Iran and North Korea are two different countries. Iran has resources, particularly in the energy sector. North Korea does not. So we will apply measured sanctions again North Korea, as we have in the past, and tailored to help influence the thinking of the government and those who support the government.” Crowley’s remarks come amid reports that Washington does not intend to craft legislation to sanction foreign companies involved in illegal transactions with North Korea, unlike the case with Iran. China earlier in the day said it opposes the new sanctions on Iran by the U.S. and its allies, heralding a similar objection to further sanctions on North Korea to be announced by the U.S. in the coming weeks. Crowley urged China to abide by its international obligations. “We’re pursuing our own national steps,” he said. “We will continue to have conversations with China and other countries as we move through and fully implement international and national sanctions. It will be very important for all countries, including China, to live up to obligations under Security Council resolutions. We don’t want to see actions by any one country undercut the overall global efforts to move Iran in a more constructive direction.” Robert Einhorn, the State Department’s special adviser for nonproliferation and arms control, will visit Beijing in late August to discuss implementation of sanctions on North Korea and Iran. Einhorn, who doubles as the intra-government coordinator for implementation of sanctions on North Korea and Iran, will also travel to Seoul and Tokyo early next week, together with Daniel Glaser, deputy assistant secretary of the treasury for terrorist financing and financial crimes. Testifying before a House hearing yesterday, Einhorn said, “There’s a difference between Iran and North Korea; it’s an important difference. North Korea’s leaders don’t seem to mind being isolated. In fact, they may believe that isolation is the only way their regime can survive.” Iranians “want to move their nuclear ambitions forward, but they also want to be seen as a respected
member of the international community," he said. "They need commerce. They need trade. They need to engage with the world. We need to demonstrate to them that they can’t have their cake and eat it, too. They can’t have their nuclear ambitions and have these good relations with the rest of the world."

Einhorn’s comparison of North Korea and Iran seems to explain why Washington is shying away from harsh sanctions on North Korea. Some officials and analysts in Seoul and Washington alike say the isolated North Korean economy is already feeling the pinch from a variety of sanctions and nothing much can be achieved through any further sanctions. They also doubt the effectiveness of further sanctions on North Korea, let alone symbolism, without substantial cooperation from China, which has focused more on reviving the six-party nuclear talks. The negotiations stalled over U.N. sanctions on Pyongyang after its nuclear and missile tests last year. The U.S. has said it will establish “new executive authorities” rather than resorting to legislation, which is difficult to reverse, to try to persuade the international community to voluntarily cut off ties with listed North Korean entities and individuals. (Hwang Doo-hyong, “U.S. to Approach N. Korea Differently from Iran on Sanctions: State Dept.,” July 30, 2010)

South Korean firms operating in a joint inter-Korean industrial park said Friday that they have accepted North Korea’s demand to raise its workers’ wages by 5 percent. If the wage raise is finalized, the monthly minimum wage of a North Korean worker will increase from US$57.88 to $60.78 from Aug. 1, 2010 to July 31, 2011. (Yonhap, “S. Korean Firms Accept N. Korea’s Request for Pay Raise,” July 30, 2010)

7/31/10

Dozens of North Korean land mines loosened by heavy rains have washed ashore on South Korean riverbanks and beaches near the border, presenting a lethal new threat to residents already wary of surprises and nefarious motives from the North. A man in the South Korean border town of Yeoncheon, northeast of Seoul, was killed July 31 when one of two land mines he had picked up from a stream exploded, the Defense Ministry said. A friend was seriously injured and hospitalized. The scare came amid heightened vigilance against North Korea, following the March sinking of a South Korean warship in border waters that was widely thought to be caused by a North Korean torpedo attack. On Sunday, South Korea sent a message urging North Korea to prevent its land mines from washing downstream to the South, the Defense Ministry said in a statement. The authorities also distributed pamphlets, which carried photos of the North Korean mines, warning people living near the border not to touch objects that look like the land mines. In towns and islands downstream from North Korea, officials using megaphones urged villagers and vacationers to stay off the streams and beaches. Soldiers with minesweepers were searching river beds where the floods have retreated. Since July 30, they have found 35 land mines. The mines, built in wooden boxes, were designed to explode when pressed or opened. “The mines were apparently swept down from North Korea after torrential rains,” said an official from the Office of the Joint Chiefs of Staff who spoke on the condition of anonymity, citing his office’s policy. He said that the safety pins of some recovered mines were not removed, indicating that they had been in storage when they were swept away. (Choe Sang-hun, “In Koreas, Floods Carry Land Mines,” New York Times, August 2, 2010, p. A-) The government is looking into the possibility that North Korea might have released wooden-boxed landmines to threaten South Korean coastlines, a senior official said
Wednesday. The remarks by the official at the presidential office drew attention, as the government had been cautious about commenting on the North’s possibly intentional release of anti-personnel mines to float down to the South and instead believed the mines discovered so far had been swept down by torrential rains. North Korea has been hit by heavy rainfall in recent weeks and was forced to discharge dam water into rivers flowing to the South. A 48-year-old South Korean man was killed on July 31 due to a wooden-boxed mine exploding near a restricted area of Yeoncheon, about 60 kilometers northeast of Seoul. Since then, the military has uncovered a total of 119 similar mines near rivers and islands close to the West Sea border, according to the Joint Chiefs of Staff. “We’re paying close attention to the fact that so many wooden-boxed mines have been found this year, compared to the past even though the North has often been hit by torrential rains before,” the official said. “The Ministry of National Defense already sent a message to the North, urging it to take control of its landmines so they do not drift to the South.” (Jung Sung-ki, “N.K. May Have Floated Mines on Purpose,” Korea Times, August 11, 2010)

8/1/10

North Korea has been able to make up for losses in consignment trade from Seoul’s ban on cross-border trade by finding new partners in China, sources here said, weakening the impact of measures imposed to punish the communist neighbor. Firms that had contracts with North Koreans for consignment, in which companies in the South send raw materials to the North and get back manufactured products, have been hurt the most by the ban. “After the South Korean companies became unable to send the raw materials, North Korean factories have been manufacturing products ordered by China,” a source here said. “Most of the goods made on consignment trade with China are for exports to Europe.” Seoul’s Unification Ministry, which handles inter-Korean affairs, partially lifted the ban to allow South Korean firms to proceed on deals that were signed before the government announced the punitive measures. “North Koreans said they already signed contracts with Chinese firms and told us they will manufacture the orders from the Chinese side first,” the source said. More than 500 South Korean companies were involved in consignment trade with the North, which amounted to US$254 million in 2009. (Yonhap, “N. Korea Replacing S. Korea with China on Consignment Trade: Source,” August 1, 2010)

8/2/10

The United States is ready to put further pressure on foreign banks and businesses that help North Korea in its illicit activities, top American sanctions officials said, raising the possibility of repeating tough penalties that escalated tensions in the region and contributed to the North’s 2006 missile launching and a nuclear test. Washington will soon announce an additional list of entities and individuals involved in arms trading, counterfeiting American currency, drug trafficking and other illicit activities that provide North Korea with “hundreds of millions of dollars annually,” Robert Einhorn, the State Department’s special adviser for nonproliferation and arms control, said during a news conference in Seoul. Einhorn said that Washington seeks to block any property or assets possessed by members of the blacklist that are under the control of a United States citizen or bank. The move is an effort to strangle the revenues that help the North Korean leader, Kim Jong-il, finance his nuclear weapons program and bribe his party and military elite with luxury foreign goods. “By publicly naming these entities, these measures can have the broader effect of isolating them from the
international financial and commercial system,” Einhorn said. “Those entities don’t have to be all North Korean. They could be other countries, as well.” Daniel Glaser, the Treasury Department’s deputy assistant secretary for terrorist financing and financial crimes, compared the new measures to the Treasury’s 2005 move to blacklist Banco Delta Asia, a bank in the Chinese territory of Macao with links to North Korea, in effect freezing $24 million in North Korean money deposited there. The move angered North Korea more than any other sanctions. It scared other financial institutions around the world from dealing with Pyongyang for fears they would also be blacklisted and denied access to the international banking system. News reports at the time said that North Korean officials were forced to carry around bags of cash for financial transactions. “We have seen on prior occasions how powerfully the private sector reacts to U.S. actions that expose entities that facilitate North Korea’s illicit activities,” Glaser said. Any bank and business that violate United Nations Security Council resolutions and help North Korea’s illicit trade “will be at the risk of falling on the wrong side of these measures and being targeted by these measures,” he warned. Einhorn said the United States would urge other nations to press banks to freeze these companies’ account, noting that similar pressure was being brought to bear on Iran. Though North Korea suffers from sanctions that already exist, it tends to grow more belligerent under pressure. (Choe Sang-hun, “U.S. Envoy Holds Talks on North Korea Sanctions,” New York Times, August 3, 2010, p. A-6) Einhorn called it a “serious concern” held by many countries that China could capitalize on the situation, increasing its business dealings with a desperate Pyongyang. China could seize upon similar opportunities in Iran, which in June was hit by the latest round of U.N. sanctions. “We want China to be a stakeholder in the international system,” Einhorn said, “and not take advantage of the restraint of other countries.” According to Einhorn, North Korea accesses hundreds of millions of dollars annually by counterfeiting currency, smuggling narcotics and using overseas banks for illicit activities. Existing U.N. security resolutions already target some of these activities, but Einhorn said that upcoming penalties represented a strengthening of these sanctions. “If we’re serious about going after illicit transactions, how do we do that if a lot of it takes place through Chinese firms?” said one U.S. official who is involved in sanctions discussions and spoke on the condition of anonymity in order to speak freely about U.S. thinking. “I don’t know.” (Chico Harlan, “U.S. Official Outlines Plan Targeting Firms, Banks That Help Fund North Korea,” Washington Post, August 3, 2010, p. A-6)

Democratic Party Chairman Chung Sye-kyun stepped down yesterday to take responsibility for last week’s by-elections defeat, sparking a demand by some members for the entire leadership to quit in advance of a September convention. Following Chung’s resignation at a meeting of the party’s Supreme Council this morning, two camps started slugging it out over the idea of an interim leader before the mid-September convention. Mainstream Democrats loyal to Chung said Kim Min-seok, a Supreme Council member who was the runner-up in the 2008 leadership race, should take over the party until the convention. But a group of reformists led by former DP chairman Chung Dong-young said the entire council should step down so they can’t manipulate the convention’s procedures. (Ser Myo-ja, “DP Chief Quits, Battle for Control Rages,” JoongAng Ilbo, August 3, 2010)
KCNA: “Warmongers of the south Korean puppet military are going to kick off direct military provocations against the DPRK in the waters around five islets in the West Sea of Korea after escalating the madcap naval exercises targeted against it in the East and West seas of Korea in the wake of their fabrication of the “Cheonan” case. The Command of Forces of the Korean People’s Army in the western sector of the front issued on Tuesday the following notice in this connection: The naval firing maneuvers to be staged by the above-said warmongers in the waters near Paekryong, Taechong and Yonphyong islets in August with all ground, naval and submarine attack means involved are not simple drills but undisguised military intrusion into the inviolable territorial waters of the DPRK and reckless politically motivated provocation to preserve the illegal ‘northern limit line’ to the last. The anti-DPRK smear campaign started by the puppet group with the ‘Cheonan’ case as a momentum is the unpardonable gravest provocation perpetrated by the Lee Myung Bak group of traitors in recent years but the above-said naval firing maneuvers are a direct military invasion aimed at infringing upon the DPRK’s right to self-defense. In view of the prevailing situation, the Command of Forces of the Korean People’s Army in the western sector of the front made a decisive resolution to counter the reckless naval firing projected by the group of traitors with strong physical retaliation. As the DPRK had already declared solemnly internally and externally, there is only the extension of the demarcation line in the West Sea of Korea fixed by the DPRK. As regards the expected DPRK’s counteraction for self-defense, the command warns in advance all the civilian ships including fishing boats not to enter the theatre of naval firing fixed by the group of traitors in the waters close to the five islets in the West Sea of Korea. It is the unshakable will and steadfast resolution of the army and people of the DPRK to return fire for fire.” (KCNA, “KPA Command Vows to Counter S. Korean Drill by Physical Retaliation,” August 3, 2010)

The United States asked South Korea to cooperate with its push for financial sanctions aimed at isolating those involved in Pyongyang’s illicit activities from the international financial system. “During the meeting, the U.S. official explained to us about financial sanctions in connection with North Korea and Iran. They wanted our government to join the moves, asking for cooperation, ” said Kim Ik-joo, chief of the international financial bureau at the Ministry of Strategy and Finance. He did not go further into details. Few details are known about what measures the U.S. envoy brought to the table. Experts and policymakers close to the matter, however, say that the two sides could have talks on sharing information related to the North’s illicit activities including dollar counterfeiting and money laundering. “Financial sanctions could be more effective when there is cooperation from other major countries rather than a move by the U.S. by itself,” a finance ministry official said on condition of anonymity. “The area where we could cooperate with the U.S. is to share information related to the North’s dollar counterfeiting or money laundering.” (Yonhap, “U.S. Asks for S. Korea’s Help with Sanctions on N. Korea,” August 3, 2010)

South Korea and the United States agreed to start talks for revising a nuclear energy treaty as early as September and in October at the latest, diplomatic sources said. “We decided to start the discussions in the fall since it may appear as if the U.S. is not willing to try and revise the pact,” said one Foreign Ministry official on the condition of
anonymity. Einhorn reportedly said he will seek to move the negotiations in a direction where South Korea can continue its growth in the nuclear energy sector. (Kim Ji-hyun, “Allies Agree to Discuss Nuclear Energy Use,” Korea Herald, August 3, 2010) South Korea and the United States have agreed to separate the issue of whether Seoul should be allowed to reprocess spent nuclear fuel with a new, proliferation-safer technology from talks on revising their nuclear accord, a diplomatic source said. (Yonhap, “S. Korea, U.S. Agree to Separate ‘Pyroprocessing’ Technology from Nuclear Revision Talks: Source,” August 3, 2010)

North Korea learned two “unforgettable” lessons from the Banco Delta Asia (BDA) case where $25 million of North Korean assets were frozen after the U.S. government designated it as a money-laundering concern in 2005. Sanctions were so painful that, according to North Korean rhetoric, they felt like “their blood was almost frozen.” In return for the intense pain, Nicholas Eberstadt, Henry Wendt Chair in Political Economy of the American Enterprise Institute, observed Pyongyang “successfully faced down” the then Bush administration over an earlier round of the BDA sanctions. “Pyongyang forced Washington to backtrack, if it wanted to get North Korea back to the nuclear negotiating table,” Eberstadt said in an email interview with The Korea Times. “North Korea’s rulers may feel confident that they will be able to force the Obama administration to fold, too, if they hit back hard enough.” Eberstadt forecast that “bumpy weather” would be unavoidable with regard to the prospects for U.S.-North Korea relations. “If Washington’s new sanctions against North Korea are going to hold, America and her allies had better prepare for some unpleasant times in the period immediately ahead,” the North Korea watcher said. Steven Weber, professor of political science at the University of California, Berkeley, said provocations by North Korea now will be particularly unproductive given the American election coming up. “I think it’s important to remember that even the North Korea issue, for the moment, is being seen in Washington through the lens of electoral politics,” he told The Korea Times. “With our midterm elections coming in November, the Obama administration is going to be very reluctant to be offering any positive inducements which could be read as concessions to the North Koreans.”

In 2005, the parties of the multilateral talks agreed on the joint statement to end North Korea’s nuclear program. Under the framework, North Korea committed to dismantle its nuclear program, to rejoin the Nuclear Non-Proliferation Treaty and to allow IAEA inspectors to return to the North in return for energy assistance. The statement also included a security guarantee for the North, saying North Korea and the United States would exist peacefully together. A year later, the North test-fired a Taepodong-2 missile and conducted the first underground nuclear test in October, which drew condemnations from the U.N. Security Council. Washington accused the North of breaking the deal. In response, Pyongyang alleged that it was the United States, not North Korea that broke the deal. The U.S. Treasury Department designated the Macao-based BDA bank as a money laundering concern under the Patriot Act for laundering $25 million in North Korean funds in September 2005 and the bank froze the assets. Washington said the BDA case was unrelated to the six-party talks. But Pyongyang accused Washington, calling it a deal breaker. The ghost of the BDA haunts North Korea in the wake of Washington’s announcement of the plan to impose new financial sanctions on North Korea. Daniel Glaser, treasury deputy assistant secretary in charge
of terrorist financing and financial crimes who joined the U.S. delegation, hinted that the fresh sanctions would be as effective as the BDA in cutting off illicit funds to the North. But some experts still questioned the effectiveness, saying it remains to be seen if the new measures will be helpful in stopping proliferation. (Kang Hyun-kyung, “N.K. Has Painful, Triumphant Memories from BDA,” Korea Times, August 3, 2010)

8/4/10

South Korean military officials say they are ready to respond if North Korea carries out its threat to attack during the South’s latest military drills. Navy Rear Admiral Kim Kyung-Sik says if North Korea makes good on its threat to open fire, South Korea “will stage an immediate counter-attack.” South Korea’s Defense Ministry says the exercise, which begins August 8, will involve a submarine, a destroyer and nearly 30 other vessels, as well as aircraft. Forty-five hundred army, navy, air force and coast guard troops will be deployed. Military officials say they will keep ships far south of a maritime border that North Korea disputes. But marines on islands near the Northern Limit Line in the Yellow Sea will conduct live-fire exercises. (Steve Hermna, “S. Korea Vows Counterattack If North Opens Fire during Drills,” VOA News, August 4, 2010)

The United States is expected to blacklist three key North Korean figures suspected of handling secret funds for leader Kim Jong-Il as part of its new sanctions, One of the three officials is Kim Tong-Myong, head of the North’s Tanchon Commercial Bank. “The US is paying special attention to three people, including Kim Tong-Myong, who operate North Korea’s secret funds abroad,” an unidentified South Korean government source was quoted as saying. “If they are included in the new sanctions, it could deal a blow to North Korea’s leadership.” FM Yu Myung-Hwan said details of the new US sanctions will emerge soon. “We’re expecting concrete measures within the next two weeks that will freeze assets of related North Korean individuals or companies and will prohibit third countries from dealing with such individuals or companies,” Yu told a local radio station. (AFP, “U.S. to Target Secret Funds of N. Korea’s Kim,” August 4, 2010) As the world waits for new U.S. sanctions on North Korea, local experts are interested in whether they will put the squeeze on Room 39, the secret bureau Kim Jong-il uses as his foreign currency slush fund. Also referred to as Bureau 39 or Division 39, the unit has international bank accounts, gold mines and around 100 North Korean trading companies under its control. “Kim Jong-il is increasingly concerned about the management of his dollar-denominated assets,” said a South Korean intelligence source, “and he even promoted his schoolmate Jon Il-chun to be head of Room 39.” The source said Jon also serves as the head of a state-run development bank the North established earlier this year to attract foreign capital. Intelligence authorities in Seoul and Washington estimate Kim has funds overseas worth $4 billion. Observers say a services blacklist of individuals to be announced in the new sanctions will likely include O Kuk-ryol, vice head of North Korea’s National Defense Commission, which is led by Kim Jong-il and his family. O is known to be managing a company that tries to attract foreign investment to the North. The Washington Times, quoting a U.S. intelligence source, reported last September that O and his family had key roles in the manufacturing and distribution of counterfeit $100 bills, known as “super notes” for their quality. The newspaper also reported that O’s son, O Se-won, was working with his father as one of the key officials involved in

The flap over the Futenma air station has nullified plans for a joint declaration on deepening the Japan-U.S. alliance during President Obama’s visit to Japan in November, Japanese officials said. The decision was made at a meeting of high-ranking foreign and defense officials from the two countries. They were discussing runway and other options for an offshore facility in Nago, Okinawa Prefecture, the site for relocated functions of the U.S. Marine Corps Air Station Futenma, now in Ginowan in the prefecture. “The Futenma relocation is a symbol of the deepening of the Japan-U.S. alliance. It would be meaningless to issue the joint declaration without a settlement of the issue,” an official at the meeting said. Although FM Okada said the joint declaration could be issued next year, the scrapping of the statement for Obama’s visit deals a blow to the ruling Democratic Party of Japan’s efforts to shine a positive light on Japan-U.S. relations. “The necessity for Obama to come to Japan has waned,” a Foreign Ministry official said. Other officials fear opinions could grow in the United States that the Japanese government under Naoto Kan is difficult to deal with, and that the Japan-U.S. alliance would take a backseat after U.S. midterm elections slated just before Obama’s visit. “Depending on the results of the election, Obama may have little time to spend on Japanese policies,” a ministry official said. Japan had proposed the joint declaration be issued on the 50th anniversary of the revised Japan-U.S. Security Treaty. In November last year, PM Hatoyama and Obama agreed to start negotiations on measures to deepen the alliance. In January, Hatoyama promised to obtain results to that end within this year. “[Japan made the proposal because] it wanted to avoid the impression that Japan-U.S. relations have worsened under the DPJ-led government, which advocates an equal partnership between the two countries,” a Foreign Ministry official said. The Futenma issue still has not been completely resolved. At the meeting Wednesday, the officials received reports on runway options, construction methods and other issues for the new facility in Nago. They confirmed they will describe two options—the one-runway “I-shaped” plan and two-runway “V-shaped” plan—in their report later this month. (Tsuruoka Masahiro, “Joint Declaration on Alliance Scrapped for Obama Visit to Japan,” Asahi Shimbun, August 6, 2010)

The United States is counting on Japan to adopt tougher measures to strengthen international efforts to curb financial support of North Korea and Iran—both of which have nuclear programs. “We look to Japan as a leader of the global nonproliferation regime and a close ally of the United States to play a strong role in this effort,” Robert Einhorn, the State Department’s special advisor for nonproliferation and arms control, said at a Wednesday press conference at the U.S. Embassy here. Japan yesterday announced implementation of the latest United Nations sanctions against Iran and said it was considering additional measures against the Islamic republic. Those sanctions include barring business dealings with Iranian military industrial and shipping firms. Japanese sanctions against Iran that go beyond those required by the UN would fall in line with recent actions taken by the United States and the European Union, said Daniel Glaser, the Treasury Department’s deputy assistant secretary for terrorist financing and financial crimes. Glaser and Einhorn met with Japanese officials on
yesterday and today to discuss the country’s role in international efforts to suppress the financial sources that fund nuclear programs in Iran and North Korea. Japan imports “a lot” of oil from Iran, for example “but the steps we’re asking Japan to take … would not adversely affect the economy of Japan,” Einhorn said. The Treasury Department on Tuesday released the names of 21 companies – including one in Japan – that it said were fronts for the Iranian government to help fund its nuclear weapons program. While Japanese banks are not broadly prohibited from financing Iranian oil deals, Glaser warned of the “tremendous risks” associated with Iranian banks. “I’m quite confident that Japan will take measures to protect the Japanese system from Iranian financial abuse” in line with similar U.S. and EU measures, he added. Despite Japan having among the world’s toughest restrictions against North Korea, the country could address issues such as remittances sent to North Korea by Koreans living in Japan and how to strengthen efforts to interdict arms flowing to and from North Korea, Einhorn said. (Charlie Reed, “U.S. Presses Japan for Harsher Iran, N. Korea Sanctions,” Stars and Stripes, August 4, 2010)

Einhorn, Glaser: “GLASER: Regarding North Korea, the U.S. continues to seek vigorous global implementation of strong financial provisions of UNSCR 1874, even as we develop new tools to strengthen our own ability to implement 1874, and in fact go beyond it in targeting a wide variety North Korean illicit activities. We have seen on prior occasions how powerfully the private sector reacts to U.S. actions that expose the entities that facilitate those illicit activities. The Treasury Department is committed to working with Japan in employing all appropriate new and existing authorities to protect the international financial system from North Korean abuse. That’s the end of my statement. Mr. Einhorn and I are available for questions. …Q: My name is Kawakita Shogo, with Kyodo News, Japanese news wire service, former Washington and UN correspondent. On North Korea, my question is: How would you strike a balance between the pressure and deterrence? North Korea has already warned that they would start a sort of a “sacred war” based on their nuclear deterrence and if we go too far, it could bring about some negative reaction from Pyongyang. What do you think about this matter of balance? EINHORN: On North Korea, we don’t want to repeat the cycle of the past, where North Korea makes commitments, then reneges on those commitments and conducts provocative actions, and then expects to get paid to come back to the talks. The Obama Administration has made very clear that we are not going to pay North Korea to come back to the talks. It has to demonstrate, especially in light of provocative actions over the last couple of years, that it’s serious, that it’s sincere about denuclearization. It has to take some tangible steps to demonstrate its sincerity that it really wants to resume the Six-Party Talks, and perhaps, if it does show genuine willingness to make progress, we can break what has been an unacceptable cycle from the past. As far as North Korean rhetoric is concerned, I don’t think we can be guided by North Korean belligerent rhetoric. We’ve heard a lot of that rhetoric in the past. We can’t dismiss it altogether. All we can do is to serve our own interests - the interests of Japan, the interests of the United States and our other partners - in pressing North Korea to fulfill the commitments it’s already made, including the commitment in September 2005 to denuclearize completely, irreversibly, and verifiably. …Q: Yokota Takashi, Newsweek. Mr. Einhorn, I remember you mentioned that North Korea needs to take tangible steps toward talks resumption.
Could you define what these tangible steps could actually be? **EINHORN:** I’m not in a position now to identify specifically the kinds of steps North Korea could take. If I did, North Korea might take this as a challenge not to take those very steps. I think it’s important for the United States to consult closely with its partners in the Six-Party process. Today was an opportunity to have some discussions with our Japanese colleagues, and we did. But one has to be conscious about the timing of resuming these Six-Party Talks. I don’t know that we’re ready today to resume those talks. I think we have to understand better the nature of North Korean recent behavior, including its torpedoing of the Cheonan. I think North Korea’s actions raise legitimate questions in the minds of people about whether they’re actually prepared to live up to their obligation to disarm completely, verifiably, and irreversibly. So if the North Koreans are sincere about getting back to the Six-Party process, they have to take some convincing, tangible steps. But we’re not in a position to discuss those steps at this point. …

**Q:** Charlie Reed, Stars & Stripes. Mr. Einhorn, you said that China was key to sanctions against North Korea. How do you get China on board? What’s the key to that? And then also, what do you say to criticism of the effectiveness of such sanctions, seeing as how many of the counties that deal with North Korea are sympathetic to their regime and therefore – again, those who question the effectiveness of such sanctions? …

**EINHORN:** First, on the China question: China wants to be a responsible stakeholder in the international community. Part of that responsibility involves ensuring that other countries abide by their commitments. I think China really needs to join other responsible countries – including the European Union, the United States and Japan, and South Korea – to send a signal to Iran that it’s got to abide by its international obligations, and we hope China recognizes its responsibility to join with us in sending that signal. As far as addressing North Korea is concerned, I think a vast number of countries do support the various Security Council resolutions that are aimed at North Korea, and it’s essential that we enforce existing obligations as strenuously as we can, and that’s one thing that I and my colleagues are trying to do, look at these resolutions – Resolution 1718, Resolution 1874 – and urge countries to enforce those scrupulously. We’re doing that. We’re doing that with China, and with other key countries in East Asia and around the world. **GLASER:** If I could also just add to that, in response to the second part of your question: I think we’ve shown in the past that sanctions have been very effective in applying pressure on North Korea. I think we’ve shown in the past that we can take targeted measures with respect to North Korean entities involved in illicit activities and have those measures have a profound systemic effect on North Korea’s ability to engage with the international financial system. So as we move forward, we’re going to continue to look for opportunities to identify North Korean illicit activity, identify how they’re using the financial system to do that, and then close those opportunities off to North Korea. And we think that will continue to have a resonating effect throughout the globe. **Q:** Hello, I’m Yoree Koh from the *Wall Street Journal*. I want to ask about North Korea today. Japan has one of the strongest sets of sanctions against North Korea in the world, a virtually across-the-board ban on imports and exports with the country. Despite that, there seems to be increased number of cases of illegal arms exports that are still originating from Japan to North Korea and increasingly by way of third countries. Given that Japan already has such strict measures, how do you propose they strengthen sanctions against North Korea? Would there be increased cooperation
between the U.S. and Japan in those efforts, and also would the U.S. and the global
community be interested in applying further pressure to the third countries, such as
China, Myanmar, Malaysia and others in the Southeast Asia region? **EINHORN:** Well,
all countries will have to decide what they want to do. We recognize that different
countries are in different positions, so they’re all going to take different measures. T he
question of remittances, for example, from Koreans living in Japan is a special issue
that Japan has, so every country is going to adopt its own kinds of measures. But one
point you alluded to: We need international cooperation to make this work. We need
international cooperation to interdict illicit shipments coming from North Korea, going
to North Korea, and that requires strong international cooperation. This is not anything
the United States or any single country can do on its own, and this is our approach to
sanctioning North Korea -- building broad international support -- but that doesn’t
mean every country has to do the same thing. There will be different measures for
different countries, and Japan will have its own set of effective measures. And
Japanese measures are effective. (DoS, Robert J Einhorn, Special Advisor for
Nonproliferation and Arms Control, and Daniel Glaser, Deputy Assistant Secretary for
Terrorist Financing, Department of Treasury, “Press Conference at U.S. Embassy,
Tokyo, August 4, 2010)

North Korea deployed long-range anti-aircraft missiles with a range of 250 km near the
demilitarized zone around the time of it sank the South Korean Navy corvette Cheonan
in March, making it more dangerous for South Korean fighter jets to fly routine patrol
missions or carry out emergency flights. A military source on Monday said the North
moved some SA-5 missiles from Hwanghae Province to areas near the DMZ. “Our
fighter jets’ activity is therefore somewhat restricted. For example, our fighters have to
avoid SA-5 tracer radar detection for fear of an attack when it is activated.” (Chosun
Ilbo, “N. Korea Stations Anti-Aircraft Missiles near Border,” August 4, 2010)

8/5/10

The massive U.S. aircraft carrier USS George Washington will participate in an allied
military exercise to occur in the West Sea, the U.S. Department of Defense said amid
China’s opposition to the planned joint maneuvers near its shores. “The USS George
Washington will exercise in the Yellow Sea, in the West Sea,” Pentagon spokesman
Geoff Morrell told reporters. “But I don’t have for you yet dates when that exercise
involving that aircraft carrier will take place... Part of the sequence of exercises that we
conduct will be a return of the George Washington, including exercising in the Yellow
Sea.” However, South Korea’s Joint Chiefs of Staff said that the two militaries have not
yet reached any clear decisions on when and where to deploy the aircraft carrier
during the planned exercises. Meanwhile, the South Korean military continued an anti-
submarine drill in the West Sea on the second day of the five-day maritime maneuvers
aimed at enhancing its defense capabilities against North Korean provocations. The
military practiced sinking enemy submarines, and responding to coastal artillery fire. It
also conducted a drill to deal with North Korean commandos, whose number is
estimated at 180,000 and a drill to defend the islands near the western inter-Korean
maritime border. Some 4,500 people from the Army, Navy, Air Force, Marines and
maritime police are taking part in the exercise. The military has mobilized nearly 30
naval vessels, including the 14,000-ton amphibious landing ship Dokdo, 4,500-ton
KDX-II class destroyers, and about 50 aircraft, including KF-16 fighter jets. (Song Sang-

Committee for the Peaceful Reunification of Korea Secretariat information bulletin No. 962: “The south Korean puppet group is staging frantic anti-submarine exercises in the West Sea of Korea with huge armed forces of the three services of the puppet army and the marine corps and different war equipment such as destroyers, submarines and fighters involved. … What should not be overlooked is that the group is challenging the DPRK while calling for 'staging the exercises,' defying the DPRK's notification of its resolute stand that it would counter the exercises with powerful physical counterstrike. This is the last-ditch effort of those who are running reckless in the war gamble, unaware of what ensuing destructive end it will meet. These ceaseless war drills being staged by the group in league with the United States remind one of the eve of the last Korean War when the puppet army committed military provocations in the areas along the 38th parallel almost every day. The army and people of the DPRK are closely watching the every move of the Lee Myong Bak group of traitors and if the puppet warmongers dare ignite a war they will mercilessly destroy the provokers and their stronghold by mobilizing most powerful war tactics and offensive means beyond imagination." (KCNA, “CPRK Denounces Military Exercises of S. Korean Puppet Forces,” August 5, 2010)

North Korea was removed from the state sponsors list in 2008 after not having been linked to any recent terror acts. However State Department Coordinator for Counter-Terrorism Daniel Benjamin said the United States is looking into recent reports that Pyongyang has tried to ship weapons to the Afghan Taliban and to Hamas and Hezbollah in the Middle East. "We've seen those reports," he said. "We are looking into them. The Secretary [Clinton] and others in the administration have been clear that if we find that North Korea is indeed sponsoring terrorism, obviously we will revisit the issue of the lifting as a state sponsor." Benjamin cautioned against an expectation of early action on North Korea, calling the review process laborious. U.S. officials have termed the sinking in March, attributed to North Korea, of the South Korean navy ship the Cheonan a military-on-military act by two countries technically at war, rather than a terrorist incident. (David Gollust, “U.S. Report Cites Terrorism Shift from Middle East to South Asia,” VOA News, August 5, 2010)

Seoul is considering turning the southern side of the demilitarized zone into the country’s 21st national park this year. The DMZ has turned into a treasure trove of natural ecological resources due to being uninhabited since the armistice was signed 57 years ago. The area of the envisaged park stretches north-south between the military demarcation line and the Southern Limit Line and is about 250 km long east-west between Ganghwa, Incheon and Goseong, Gangwon Province. The aim is to "protect natural resources within an area that is attracting keen attention from the international community due to its ecological value and to guard against any reckless development of the area after reunification," a spokesman for the Environment Ministry said. "We've already told the UN Command," which is in charge of the DMZ under the armistice. "The two sides will meet next week to start full-fledged discussions," the spokesman added. Jeong Yeon-man of the ministry’s Nature Conservation Bureau
said, “We’ve decided to give top priority to developing the DMZ area over other national park candidate areas such as Upo Marsh in South Gyeongsang Province.” He said the bureau hopes to designate the DMZ a national park this year. But he warned it will be impossible for people to freely visit the park anytime soon, so the gesture is largely symbolic. (Chosun Ilbo, “Seoul Mulls Making the DMZ a National Park,” August 5, 2010)

Unusually heavy rainfalls caused human losses and heavy property damage in North Korea in July, the North’s media reported on August 5. Flash floods also submerged about 5,560 houses and 350 public buildings and washed away some 14,850 hectares of farmland in the month, the North’s official Korean Central News Agency (KCNA) said in a report, monitored in Seoul. The report said torrential rains caused human losses and damage to industrial facilities but gave no details. Thousands of hectares of farmland were submerged in the provinces of South Hwanghae, North Pyongan, South Hamgyong, while roads and bridges were destroyed in South Pyongan and Kangwon provinces, it said. KCNA did not report how much rain fell in North Korea in July, but South Korea’s weather agency said on August 4 that an average rainfall in North Korea in July reached 315.8 millimeters, 139 percent higher than normal. The agency forecast more rain in North Korea this weekend. One day later, the North’s state Korean Central TV Broadcasting Station also said heavy rains have been continuing in North Korea after causing serious damage last month. "Relatively heavy downpours recently fell in North Pyongan, Jagang, Ryanggang and part of South Pyongan provinces." During the period from July 31 until noon of August 6, Junggang area in Jagang Province received 191 millimeters of rain, the most in the country, followed by Wonsan, South Hamgyong Province, with 188mm; Manpho, Jagang Province, with 156mm; Sijung, a county in the same province, with 139mm, the report said. Taechon and Chonma, both in North Pyongan Province, received 130mm and 129mm of rain, respectively, while 113mm fell in Songwon of Jagang Province, it added. (Yonhap, “Flash Floods Cause Human Losses, Heavy Property Damage in N. Korea,” North Korea Newsletter, August 12, 2010)

At a memorial ceremony attended for the first time ever by a U.N. secretary general and a U.S. representative, Hiroshima marked the 65th anniversary of its atomic bombing by calling on Japan to withdraw from the U.S. nuclear umbrella and accelerate the progress made over the past 18 months to eliminate nuclear arms. On a sweltering morning, PM Kan, U.N. Secretary General Ban Ki Moon, U.S. Ambassador John Roos, as well as representatives of nuclear states Great Britain and France were on hand for the ceremony. Some 55,000 people took part in the memorial, according to city officials. Hiroshima Mayor Tadatoshi Akiba said in his message to the ceremony that Japan needs to do more to assure the world it is serious about remaining a nonnuclear state. “The time is ripe for the Japanese government to take decisive action. It should begin to take the lead in the pursuit of the elimination of nuclear weapons by legislating the three nonnuclear principles, abandoning the U.S. nuclear umbrella, and implementing passionate, caring assistance measures for all of the aging hibakusha anywhere in the world,” Akiba said. Earlier this week, Akiba said it is ridiculous for Japan to think about national security policies while still being dependent on America’s nuclear umbrella. (Eric Johnston, “Hiroshima Urges End of
“Nuclear Umbrella,” *Japan Times*, August 6, 2010) “For the sake of future generations, we must continue to work together to realize a world without nuclear weapons,” said Roos in a statement. His attendance at Hiroshima, which has caused some controversy in the US, reflects the shift in American policy on nuclear weapons under Barack Obama. Roos was representing the US in the City of Peace “to express regret for all of the victims of World War II”, according to the State Department. Japanese officials have welcomed the move, with FM Okada Katsuya calling it “a big first step.” Roos’s visit has also triggered expectations that Obama himself would visit Hiroshima in what Miyake said would be “an extremely symbolic expression of US good will ... and the first step in a historic event.” The visit also provides a much-needed boost to US-Japan relations in the wake of a tense period between the two allies that stemmed from the previous Japanese government’s wavering over an agreement to relocate a US marine airbase in Okinawa. “While not massive, there was some anti-US feeling because of the Okinawa problem and people were beginning to ask whether so many [US] bases were needed. I think one objective of the [ambassador’s] visit to Hiroshima was to smooth relations between the US and Japan,” said Mizumoto Kazumi, professor of international relations at Hiroshima City University. (Michiyo Nakamoto, “Washington Moves to Ease Tension with Hiroshima Visit,” *Financial Times*, August 6, 2010, p. 2)

Flooding swept away crops, houses and damaged power equipment in North Korea, battering an economy already straining under international sanctions and struggling with shortages of food and goods. Thousands of homes, public buildings and factories were ruined and about 14,850 hectares of farmland “submerged, buried or washed away,” North Korea’s state-run Korea Central News Agency reported yesterday. Railways were blocked, power equipment broken and bridges destroyed in the floods, the news service said. An unprecedented amount of rain had already inundated the Yalu River system bordering China and more was forecast for the region, Xinhua News Agency reported late yesterday, citing a spokesman at the flood control headquarters in the border city of Dandong on the river’s lower reaches. Liaoning and Jilin provincial authorities suspended shipping on the river, it said. The Tumen River, which forms North Korea’s northern border, has also seen record water levels in the past two weeks, Xinhua said. (*Bloomberg News*, “North Korea Floods Destroy Thousands of Homes, Factories near China Border,” August 6, 2010)

Kim Tae-ho, former governor of South Gyeongsang Province, has been nominated as new prime minister, the youngest in 39 years, in a Cabinet shake-up that also replaced seven ministers and two minister-level officials, the presidential office Cheong Wa Dae announced. It did not affect the ministers handling foreign affairs, national defense or inter-Korean ties, signaling that the president will keep a tough stance on North Korea. (Lee Chi-dong, “President Lee Replaces Prime Minister, Seven Cabinet Ministers,” Yonhap, August 8, 2010)

A South Korean squid fishing boat carrying seven men was seized by North Korea and is currently under investigation by the communist state, said South Korean government officials. A government official said contact with the boat was lost at about 2:35 p.m. The boat was in the East Sea near the Russia-North Korea border. “The National Federation of Fisheries Cooperatives lost communication with the Daeseung after the
boat sent a message it was being taken toward Port Songjin, North Korea,” said the
official. The South Korean government is looking into the case; officials said the boat
might have trespassed into North Korea’s economic zone. The Daeseung, which left
port August 1, had four Koreans and three Chinese on board and was scheduled to
return September 10. (Christine Kim, “N. Korea Seizes Fishing Boat,” JoongAng Ilbo,
August 9, 2010)

North Korea fired some 110 rounds of artillery into its side of a disputed maritime
border with South Korea, South Korean military officials said. The North Korean move
comes right after South Korea ended five-day massive naval exercises near the Yellow
Sea border. North Korea had warned of "strong physical retaliations" against the drills
which it denounced as preparations for a northward invasion. North Korea first fired
some 10 shells over three minutes starting at around 5:30 p.m., said at official at the
South’s Joint Chiefs of Staff. It then fired about 100 rounds between 5:52 p.m. and
6:14 p.m., he said.
The rounds all landed into the North Korean side of the so-called Northern Limit Line
(NLL) that has served as a de facto border in the Yellow Sea, the official said. "The
Navy heightened its readiness posture" in the wake of the artillery firing, said the JCS
official, adding that there has been no North Korean firing afterwards. (Yonhap, “N.
Korea Fires about 110 Rounds of Artillery into Yellow Sea,” August 9, 2010) South
Korea’s military vowed to “act resolutely” against future provocations after North Korea
fired an artillery barrage into waters near the two countries’ disputed Yellow Sea
border. Some 10 of the 130 shells which were fired Monday evening landed on the
South’s side of the line, Seoul military officials said, heightening months of tensions.
The South’s military in a faxed message to the North described the firing as a "grave
provocation" that violates the armistice and a non-aggression agreement, a
spokesman for the Joint Chiefs of Staff told AFP. “If North Korea continues its
provocative actions, without apologizing for the Cheonan incident, South Korea will act
resolutely,” the spokesman quoted the message as saying. Seoul has urged
Pyongyang to free the 41-ton boat and its seven crewmen -- four South Koreans and
three Chinese -- as soon as possible. (AFP, “S. Korea to ‘Act Resolutely’ to N. Korea
Provocation,” August 10, 2010) There were conflicting reports Tuesday about where
artillery shells North Korea fired into waters near the Northern Limit Line on Monday
landed. South Korean sentries along the west coast testified that some landed as far as
4 or 5 km south of the de facto sea border. The Joint Chiefs of Staff on August 9
claimed none crossed the border, but on August 10 a JCS spokesman told reporters
“around 10” artillery rounds landed 1 to 2 km past the NLL in the West Sea. The
conflicting statements have fueled suspicion that the military failed to abide by a rule
to counter North Korean artillery fire with an equal response and is now downplaying
the extent to which the shells were lobbed across the NLL. The JCS spokesman told
reporters the North was warned "three times" to desist. It fired another around 100
rounds into waters north of Yeonpyeong Island, but none of them landed south of the
NLL, he added. But a high-ranking military source said of the 10 rounds that were fired
near Baeknyeong Island, “seven landed in waters 4 to 5 km south of the NLL and just 3
km shy of our coastal military checkpoint." That shows North Korea’s latest provocation
was clearly aimed at South Korea. The spokesman said, "In the case of Baeknyeong
Island, we did not respond with artillery fire because the North stopped after being
PM Kan Naoto said he would like to see established into law what is current national policy: The three nonnuclear principles of not possessing, producing or introducing nuclear weapons into Japan. It is not clear that Kan, who said last week that Japan must continue to rely on the U.S. nuclear umbrella, would be able to deliver on getting the principles written into law given the significant opposition to the idea. Foreign Minister Katsuya Okada, for example, expressed skepticism earlier this year about making the three principles legally binding for an indefinite period. "I would like to consider enshrining the principles into law," Kan told reporters after attending the memorial service marking the 65th anniversary of the U.S. atomic bombing of Nagasaki. During his visit to Hiroshima last Friday for the annual memorial service there, Kan said, "Regrettably we can't afford not to rely on nuclear deterrence because North Korea's nuclear (threat continues)." However, he added, "I continue to feel strongly about nuclear disarmament." Masabayashi Katsuki, head of a Nagasaki group of relatives of A-bomb victims, said in a meeting with Kan on Monday this his remark about deterrence "sounds as though you affirmed the legitimacy of nuclear arms, and broke the hearts of the members" of his group. Kan responded: "I'm thinking about how we can abolish the nuclear weapons human beings have already created."I believe we have to change the world so that it no longer needs nuclear deterrence."In his comments to reporters, Kan also touched on Japan's planned civilian nuclear power cooperation pact with India. "We will pay sufficient attention to the issue of nuclear disarmament and nonproliferation and step up our efforts to get India to sign the Nuclear Nonproliferation Treaty," he said. (Kyodo, "Kan: No-Nukes Should Be Law," Japan Times, August 9, 2010)

PM Kan Naoto apologized to South Korea for Japan’s past colonial rule of the Korean Peninsula in the hope of building future-oriented bilateral relations. In a statement released ahead of the August 29 centenary of Japan’s annexation of the peninsula, Kan expressed deep regret over the suffering inflicted during Japan’s control from 1910 to 1945. Kan said the Korean people of that time were "deprived of their country and culture, and their ethnic pride was deeply scarred by the colonial rule which was imposed against their will." "I would like to have courage to squarely confront the facts of history and humility to accept them, as well as to honestly reflect on our own errors," said the statement, endorsed by his Cabinet members in the morning. "Those who render pain tend to forget it while those who suffered cannot forget it easily." With these recognitions in mind, he said that Japan will strive to construct "future-oriented" ties with South Korea by thinking about the next 100 years. Kan telephoned South Korean President Lee Myung Bak following the Cabinet approval, explaining his reason for releasing the statement, which was timed also to precede South Korea’s celebration of its liberation from colonial rule on Aug. 15, according to government officials. Kan told a news conference in the afternoon that Lee gave a positive assessment of the statement during the 20 minute-conversation, saying it
showed "cordiality." The expressions of apology chosen were, however, basically in line with those of past prime ministerial statements -- one by Tomiichi Murayama in August 1995 and another by Junichiro Koizumi in August 2005. It said that Japan again expresses its feelings of "deep remorse" and "heartfelt apology" for "the tremendous damage and sufferings" brought about by its colonial rule. Unlike the Murayama statement, which apologized to Asian victims of Japan’s aggression, the latest document was only directed at South Korea. It did not touch on North Korea. (Kyodo, “Japan Apologizes to S. Korea for Colonial Rule,” Associated Press, August 10, 2010)

South Korea’s political parties noted Prime Minister’s Kan Naoto’s apology for his nation’s colonial rule of the Korean Peninsula as "progress," but said it was still "not enough" to make up for the past. He expressed "deep regret" for the suffering inflicted during his country’s 1910-45 colonial rule over the Korean Peninsula ahead of the 100th anniversary this month of the annexation of the Korean Peninsula. Kan said his government plans to return cultural artifacts, including some royal records of the Joseon Dynasty (1392-1910), taken from the peninsula. The ruling Grand National Party said the statement was “a step forward” from similar statements issued by former Japanese prime ministers, but “not enough to allay” Korean people’s decades-long anger over Japan’s wartime misdeeds. The statement “has no mention of illegitimacy of the forced annexation and Koreans forced to work as sex slaves or manual laborers by the Japanese army,” Ahn Hyoung-hwan, a spokesman of the party, said. Japan should repent its past more honestly if it wants to build a future-oriented relationship with South Korea, he added. "I still cannot stop doubting the sincerity of the apology," Jeon Hyun-heui, spokeswoman of the party, said, noting that two things -- a declaration that the forced annexation of the peninsula is void and direct references to the Korean victims of the colonial rule -- were missing in the statement. "Japan’s plan to return some of the Korean artifacts now in its possession is progress, but more important is that the country should come up with a sincere follow-up measure," Jeon said. Kan said that Japan will in the near future transfer precious cultural artifacts originating from the peninsula whose return South Korea has been demanding. These include some royal records of the Joseon Dynasty, called the Joseon Wangsil Uigwe, being kept by the Japanese government. However, there was some opposition to releasing the statement from some lawmakers, even within Kan’s Democratic Party of Japan, saying it could prompt renewed compensation claims for the country’s colonial rule in Asian countries. Kan said at the news conference, "Legal matters have already been completely settled" between Japan and South Korea based on a basic treaty signed in 1965, in which Japan and South Korea both gave up the right to demand compensation and normalized diplomatic relations. As Japan maintains its position that the treaty is valid, Kan said he wrote “transfer” instead of “return” in the statement when he promised the handover of the artifacts to South Korea. (Yonhap, “Political Parties Say Japan’s Apology ‘Progress’ But ‘Not Enough,’” August 10, 2010) The apology in the statement, which was released following approval by the Cabinet, is nearly identical to that issued by Prime Minister Murayama Tomiichi in 1995 on the 50th anniversary of the end of World War II. However, many observers have said that it represents a step forward from the Murayama statement in its overall content. To begin, Murayama’s statement was directed at “the nations of Asia,” while Kan’s statement specifies only Korea. Given that in 1992, then-Chinese Community Party General Secretary Jiang Zemin, who was visiting Japan to sign the Treaty of Peace and
Friendship between the two countries, was indignant that the China-Japan joint declaration did not include the term “apology” used in the Korea-Japan joint declaration, it could be argued that this latest statement singling out Korea demonstrates the will of the Japanese government. Also significant is the fact that Kan wrote in the statement that colonial rule “took place against the will of Koreans at the time, under political and military conditions.” Previous apologies by Japan have not referred to the circumstances of the annexation. In addition to the statement, the seventeen ministers in Kan’s Cabinet announced Tuesday that none of them would be visiting Yasukuni Shrine, which has come to symbolize Japanese militarism, this coming August 15. Analysts are interpreting their nonattendance, the first in thirty years, as being intended to underscore the authenticity of the apology. (Hankyore, “Japanese Prime Minister Apologizes for Annexation,” August 11, 2010) Hundreds of South Korean protesters including former sex slaves rallied in front of the Japanese Embassy in Seoul, saying that an apology issued by the prime minister for Japan’s past colonial rule of Korea was not enough. (Dan Y. Chung and Ye Sol Lee, “S. Koreans Protest Japan’s Apology for Colonial Rule,” Associated Press, August 11, 2010) A careful look at the statement provides some clues to the Kan administration’s motives in preparing the document. As an official Cabinet meeting on August 10 morning became an informal gathering after the Cabinet members had signed the statement, Gemba Koichiro, state minister in charge of civil service reform—apparently choosing his words with care—said: “There are various opinions within the [Democratic Party of Japan]. This time I signed it, but I hope such a matter will be discussed at an earlier stage [before a Cabinet meeting] in the future.” With this remark, Gemba, who doubles as chairman of the DPJ’s Research Policy Committee, expressed his discontent with the lack of consultation on the statement within the government and the ruling parties. Chief Cabinet Secretary Sengoku Yoshito sought Gemba’s understanding by saying the latest statement would not go beyond the one made by then PM Murayama Tomiichi in 1995. Kan said he decided to make the statement in the hope of building forward-looking bilateral relations with South Korea. The remarks of Sengoku and Kan brought the Cabinet discussion to an end all too quickly. Directly involved in composing the statement were Kan, Sengoku and two deputy chief cabinet secretaries for parliamentary affairs, Furukawa Motohisa and FukuyamaTetsuro. They modified "with their own words" a first draft composed by the Foreign Ministry, which was in line with Murayama's statement. And it was Sengoku who was the main promoter of the statement. Sengoku, a former lawyer, has been a defender of the rights of South Koreans with permanent residency in Japan, and is said to be “particular about the dispute with South Korea over historical perception,” according to a source close to Kan. When the DPJ was in opposition, Sengoku on many occasions brought up the issue of assistance for ethnic Koreans left behind in Sakhalin during the closing days of World War II for parliamentary discussion. The issue was also included in Kan’s statement as one of several humanitarian assistance projects to be carried out. In addition to Sengoku, former PM Hatoyama was very particular about the wording of the statement. Speaking to reporters at the Diet Building on Tuesday afternoon, Hatoyama said he had been asked by Kan and Sengoku a few days earlier for advice how to phrase references to Japan’s colonial rule. Hatoyama said he had replied, “How about including the phrase, ‘against the will of the Korean people’?” In fact, the statement referred to “the colonial rule which was imposed against their
Hatoyama also said that the issue of the transfer to South Korea of the Joseon Wangsil Uigwe (Royal Protocols of the Joseon Dynasty), a collection of royal documents recording the rituals of the Joseon Dynasty, was “an issue I've been concerned about since I was prime minister,” hinting that he had supported the statement making specific reference to the transfer. Compared with Sengoku and Hatoyama, it appears Kan did not express any strong opinions about the statement’s wording. A source close to Kan said, “Mr. Kan has no particular emotional attachment to South Korea.” Meanwhile, the prevailing view among Diet members close to Kan is that the timing of the statement’s delivery was not right. (Kawashima Mieko, Ishikawa Yukiko and Nakagawa Takashi, “How Kan’s Korea Statement Came to Be; Key DPJ Figures Were Keenly Invested in Shaping Remarks on Annexation, Yomiuri Shimbun, August 12, 2010) Opponents said a new statement on Japan’s colonial period aimed exclusively at South Korea could reignite the issue of compensation elsewhere in Asia. Former PM Abe Shinzo of the LDP criticized the government’s decision, describing Kan and Sengoku as “foolish” and “ignorant” about dealing with historical issues. Kan was aware criticism would emerge from political circles, the sources said. But Kan, who will stand in the September DPJ presidential poll that will decide if he continues as prime minister, dared to release the statement partly because he believes he will win more public support than he loses in doing so. (Karube Takuya (Kyodo), “Kan Bids to Give Japan New Image,” Japan Times, August 12, 2010)

KCNA: “The fourth round of the DPRK-U.S. senior colonel-level military working contact for the probe into the truth behind the "Cheonan" case was made in Panmunjom [today]. At the contact the DPRK side pointed to the unsavory attitude taken by the U.S. forces side during the past three rounds of the bilateral working contacts. It urged the U.S. forces side to affirmatively respond to the DPRK’s proposal for field investigation by the inspection group of its National Defence Commission for making an objective and scientific probe into the truth about the "Cheonan" case, away from its double-dealing attitude manifested in the course of the contacts made so far. The U.S. forces side, however, threw hurdles in the way of discussion, insisting on its proposal for “joint assessment group” the injustice of which had already been brought to light. Stating that it is the unshakable will of the army and people of the DPRK to dispatch an inspection group of the NDC for the purpose of probing the truth behind the warship case to the last, the DPRK side advanced the following proposal reflecting the assertions of both sides: The KPA-U.S. joint inspection group shall be formed to involve the KPA side and the U.S. forces side for an early opening of the DPRK-U.S. general-level military talks. High-ranking general-level officers shall be appointed by the KPA side and the U.S. forces side respectively to head the group. The joint inspection group shall be made up of the members of the NDC inspection group from the KPA side and members of the U.S. forces side, 20 to 30 men from each side. The group may work for 3-5 days or the period of its inspection may be extended when necessary. Investigation shall be confined to the scene of the incident, salvaged warship, witnesses, material evidence and relevant objects. All possible methods including field investigation, analysis of material evidence, hearing from witnesses and analysis of data shall be employed to the maximum.” (KCNA, “4th DPRK-U.S. Working Military Contact Held,” August 10, 2010)
North Korea flew an unmanned plane for surveillance or as a decoy after it fired a volley of shells near the disputed sea border with South Korea last week, an official said. The impoverished but nuclear-armed communist state has also aired rare footage of its new main battle tank, which was being closely analysed by South Korean authorities, a news agency report said. The North flew a drone, possibly for surveillance, after it fired artillery shells Monday [August 9] last week into waters in the Yellow Sea, the military official was quoted as saying by a Joint Chiefs of Staff spokesman. “This seven-metre (23-foot)-wide drone hovered over the North’s waters, keeping a very low altitude, some 20 kilometres (13 miles) north of Yeonpyeong islands,” the official said. “It might be a surveillance drone or a decoy” aimed at disturbing the South’s radars and surveillance aircraft, he said. (AFP, “N. Korea Flew Drone over Sensitive Border: S. Korea,” August 17, 2010)

In 2010 U.S. Secretary of Defense Robert Gates counseled restraint on the part of the South Koreans in their response to the North Korean shelling of Yeonpyeong Island. Writing in his memoir, Gates said that: “South Korea’s original plans for retaliation were, we thought, disproportionately aggressive, involving both aircraft and artillery… We were worried the exchanges could escalate dangerously.” In the days following, Gates, U.S. President Barack Obama, and Secretary of State Hillary Clinton made numerous calls to their South Korean counterparts to cool things down. (Clint Work and Daniel A. Pinkston, “New Realities, Old Fears: Escalation on the Korean Peninsula,” The Diplomat, January 28, 2016)

Czech officials confirmed that Pyongyang had offered to settle 5 per cent of its $10m in accumulated debt in ginseng, an invigorating root used in dietary supplements and teas that are supposed to improve memory, stamina and libido. Communist Czechoslovakia was a leading supplier of heavy machinery, trucks and trams to North Korea. Non-cash trade and settlement of debt has been common among socialist countries. “We have been trying to convince them to send, for instance, a shipment of zinc, which is mined there. We would sell it ourselves,” Tomas Zidek, deputy finance minister, told the Czech Republic’s MF Dnes newspaper. Radek Lezatka, finance ministry spokesman, said Prague was still discussing whether North Korea would ultimately pay in cash or a commodity. MF Dnes calculated that 5 per cent of the North Korean debt would amount to 20 tonnes of the curly white root. Retail prices of North Korean ginseng in Taiwan suggest a figure closer to 12 tonnes. Both sums massively outstrip the Czech Republic’s annual consumption of about 1.4 tonnes year, though North Korean ginseng is popular in east Asia. A US court last week ruled that the Foreign Trade Bank of Korea, a North Korean state bank, owed a Taiwanese counterpart $6.77m over an unpaid loan. North Korea’s military runs the export companies that ship speciality foodstuffs, such as shellfish, ginseng and mushrooms, to gain hard currency. Intelligence agencies say the ginseng trade is controlled by Pyongyang’s shadowy “Bureau 39”, which runs the country’s foreign funds. (Christian Oliver and Jan Cienski, “N. Korea Offers to Pasy Debt in Ginseng,” Financial Times, August 11, 2010, p. 3)
North Korea said it would return a South Korean pastor, Rev. Han Sang-ryol, who visited Pyongyang illegally, to his homeland on August 15 at Panmunjom. (Jeremy Laurence, “N. Korea to Conduct Rare Border Handover,” Reuters, August 11, 2010)

Having been chosen as Kim Jong-il’s successor early last year, Kim Jong-un began to take part in the country’s domestic and international policies in the second half of 2009. The young heir began running the country’s secret police agency, which oversees and therefore controls the country’s power elite, according to Cheong Seong-chang, senior fellow of the inter-Korean relations studies program at Sejong Institute. “As the successor, Jong-un was given extralegal authority as the country’s No. 2 in command of the Workers’ Party and the military last year,” Cheong said. “From the summer of 2009, all official reports made to Kim Jong-il went through Jong-un.” Cheong predicted that the Workers’ Party representatives will appoint to the party’s key positions Jong-un and others who will help him tighten his grip on the country’s military and the whole society. The North said it will convene a meeting of party representatives to elect members of the party’s “supreme leadership,” which means the party’s Central Committee. “One of the posts Jong-un could assume is the organizational secretary of the party’s Central Committee, who wields the greatest power on the committee,” Cheong said. The North Korean military, which was previously controlled by Kim Jong-il’s direct orders, came under defense minister Kim Young-choon’s command in April 2009. Kim Young-choon controls the nation’s troops for conventional warfare while Kim Jong-il supervises the strategic troops that deal with missiles and nuclear weapons. Chief of the Workers’ Party’s operations bureau O Kuk-ryol serves as the Kim regime’s strategist who holds sway over the top special forces and the specially trained agents that operate overseas. First deputy chief of the politburo Kim Jong-gak was appointed as an NDC member in April last year and assists Jong-un from a close range. He reportedly directed the execution of Park Nam-ki, former chief of the party’s financial planning, who allegedly planned to integrate moneymaking companies run by the military into the Workers’ Party. Park was blamed for the failure of the country’s currency reform last year. Woo Dong-cheuk, senior head of the country’s secret police, and Joo Sang-song, chief of the police, also joined the NDC last April. (Kim So-hyun, “N. K. Power Elite Ready for Successor,” Korea Herald, August 11, 2010)

Government officials in China have conveyed to South Korean lawmakers their hope that the matter of the Cheonan is brought to a conclusion, and expressed concerns that joint South Korea-U.S. military drills could lead to a clash. The lawmakers reported that Wang Jiarui, head of the International Department of the Communist Party of China (CPC) Central Committee and responsible for the CPC’s Korea policy, said, “China also understands the sinking of the Cheonan was a grave event with loss of life, and has conveyed words of sympathy to the South Korean government on several occasions.” Wang also conveyed his hopes that the UN Security Council Presidential Statement would bring the matter to a conclusion. China also expressed concern that the joint South Korea-U.S. military drills could lead to a bigger clash if tensions increase, and conveyed its position that a resolution to the North Korean nuclear issue and peace on the Korean Peninsula should be achieved through the six-party talks. Jia Qinglin, chairman of the National Committee of the Chinese People’s Political
Consultative Conference and the fourth most powerful individual in the Chinese power structure, also told the lawmakers that there are many difficulties, but one must keep aloft the flag of the six-party talks.

Lawmakers, visiting at the invitation of the International Department of the CPC Central Committee, were led by deputy speaker of the National Assembly Chung Eui-hwa, and included Grand National Party (GNP) lawmakers Kang Gil-bo, Yoon Sang-hyun, Park Bo-hwan and Kim Young-woo, Democratic Party (DP) Lawmaker Baek Jae-hyun, Liberty Forward Party Lawmaker Lee Myoung-soo and Future Hope Alliance Lawmaker Kim Eul-dong. (Hankyore, “China Urges Conclusion for Cheonan Issue,” August 13, 2010)

The General Association of Korean Residents in Japan (Chongryon), the main pro-North Korea organization in Japan, is rapidly losing its tax-exempt status on facilities throughout the country. The government released the property tax collection practices for Chongryon-related facilities at 130 local governments throughout Japan. According to officials of the Ministry of Internal Affairs and Communications, no local governments completely exempt Chongryon from paying property taxes on its facilities. Kushiro in Hokkaido ended its total property tax exemption last fiscal year. It was the last community to grant Chongryon a complete tax exemption. The ministry began its annual surveys in fiscal 2005. Nagoya ended its partial exemption, while the cities of Kyoto, Okayama, Kiryu in Gunma Prefecture and Nishinomiya in Hyogo Prefecture, all effectively raised property taxes on Chongryon facilities. There are now 94 local governments that no longer reduce property tax amounts for Chongryon facilities, while 30 still have a partial exemption. The remaining six local governments are reviewing their tax policies for the organization. (Asahi Shimbun, “Pro-North Korea Group Loing Tax Breaks,” August 13, 2010)

Inter-Korean trade soared to a record high in the first half of this year. Two-way trade jumped 52.4 percent on-year to US$983.2 million in the January-June period, according to report by the Korea Customs Service (KCS). It also represents a six-fold increase from the $161.6 million tallied in the same period in 1999. The customs office, meanwhile, said trade between the two Koreas rose from $328.6 million in 1999 to $1.08 billion in 2005 and peaked at $1.82 billion in 2008. Last year, the trade volume fell to $1.66 billion after Pyongyang detonated its second nuclear device. Outbound shipments spiked 66 percent on-year to $430.5 million, with imports from the North surging 44 percent to $552.7 million for a deficit of slightly more than $122.2 million.The report, however, said that with most cross-border exchanges being cut off by Seoul in retaliation for the sinking of the South Korean warship Cheonan, inter-Korean trade is expected to drop about 30 percent on-year in the second half. Only the Kaesong Complex, located just north of the DMZ that separates the two countries, has not been affected by the fallout from the ship sinking. The complex accounts for roughly 70 percent of all inter-Korean trade and is home to 120 South Korean companies that make products with the help of North Korean laborers. (Yonhap, “Inter-Korean Trade Hits Record High in H1: Report,” August 12, 2010)

Academics from Korea and Japan are set to issue a report on the two countries’ future based on which they will urge President Lee Myung-bak and PM Kan Naoto to jointly declare a “new era” by clearing their unresolved colonial issues. The joint study on
bilateral relations, international politics and international economy was launched in February last year based on a Korea-Japan summit agreement in April 2008. If made as advised, the two leaders’ joint declaration would override that of former President Kim Dae-jung and former PM Obuchi Keizo. “Scholars of both countries have conducted a joint research on the nations’ future and their report will be completed within this month,” a diplomatic source said. The academics led by Seoul National University professor Ha Young-sun and Keio University professor Okonogi Masao plan to agree on a final copy of the report in Tokyo August 17. The report will be submitted to Cheong Wa Dae and the Japanese prime minister’s office to call on the leaders to meet and make a joint declaration as early as late August. The 30-page report contains 20 categories on bilateral relations, the Korean Peninsula and the East Asia region as well as a joint vision for cooperation. (Kim So-hyun, “Korea, Japan Leaders May Declare ‘New Era,’” Korea Herald, August 12, 2010)

China said it had offered to help North Korea tackle cross-border crime -- two months after North Korean soldiers killed three suspected Chinese smugglers, raising tensions between the allies. Three Chinese nationals were killed and one injured when North Korean border forces opened fire along the shared frontier on June 4, prompting China to protest to Pyongyang in a rare show of discord between the allies. Beijing, Pyongyang’s most important ally and trading partner, said it had handed over military equipment to North Korea’s National Defense Commission during a visit by China’s Deputy Public Security Minister Liu Jing on August 8. China said in a statement that it was willing to work with North Korea in cracking down on cross-border crime and building up its law enforcement forces. The statement gave no details of what type of equipment China had provided or which type of crimes could be targeted. (AFP, “China Offers to Help Crack down on Crime,” August 12, 2010)

South Korea will allow a doctor to travel to North Korea next week in the first approval of a civilian visit on a humanitarian mission to the communist state since Seoul banned exchanges with Pyongyang in May over the sinking of a South Korean warship, UnifMin spokesman Chun Hae-sung told reporters in a briefing, an official. The doctor, accompanied by two drivers, will visit the North Korean border town of Kaesong August 17. The group is transporting 400 million won (US$336,100) worth of anti-malaria aid from a civilian relief group, Chun said. “The doctor’s visit has been granted because he needs to explain to the North how to use the aid kits,” he said, adding any spread of malaria in the North has the potential to affect South Korean residents south of the border. (Sam Kim, “S. Korea to Allow Rare Civilian Visit to N. Korea amid Tension,” Yonhap, August 13, 2010)

North Korea announced that it has enacted new laws to facilitate trade with other countries, improve labor rights and protect the interests of economic entities under state supervision. “The adoption of the laws provides a definite legal guarantee for improving the labor protection work, developing economic cooperation and exchange with other countries,” KCNA reported. The laws “recently adopted” by the Presidium of the Supreme People’s Assembly seek to protect “the economic interests of the industrial establishments, organizations, individuals and foreign investment companies
belonging” to the chamber of commerce, but the report did not go into further specifics. (Yonhap, “N. Korea Enacts New Laws on the Economy,” August 13, 2010)

PM Kan Naoto’s statement “retreats” from a similar statement issued in 1995 by then PM Murayama Tomiichi, which apologized to North Korean and other Asian victims of Japan’s past aggression, Song Il Ho, ambassador for normalization talks with Japan, said in an interview in Pyongyang. “Looking at expressions and the depth of apology in Kan’s statement, we don’t totally understand what Japan is apologizing for and whom it is apologizing to,” Song said. “The statement gave a sense of disappointment and resentment to all (North) Koreans.” North Korea suspects the statement may be aimed at giving a hand to South Korean President Lee Myung Bak to bolster his public support, Song said, expressing alarm against closer ties between Tokyo and Seoul. Song said that if the Kan government seriously seeks to improve Japan-North ties, it must reflect on the past 100 years of relations and immediately start work to compensate for its harsh colonial rule. “Japan made many mistakes and sins, so it cannot settle them all at once,” he said. “But I think the Democratic Party of Japan-led government can at least start improving relations by removing sanctions the previous Liberal Democratic Party-led government imposed on us.” In the process of improving ties, the two countries – which do not have diplomatic relations – can solve issues regarding the North’s past abduction of Japanese nationals “easily,” the ambassador said. Asked about news reports that pro-Pyongyang schools for Korean residents in Japan will be included in a tuition waiver program for high school students, Song said the program “must cover such schools,” and that he “expects that to happen.” “The right of learning by the young generation must not be restricted or discriminated by their race or nation,” he said. “This is a basic human rights issue.” Song said that despite the change of power last September, he has seen no difference in North Korean policy between Kan’s DPJ and the LDP, which he said had been unfriendly toward the North while in power. But he said it will be impossible for the Kan government to improve ties with Pyongyang if it continues to politicize the abduction issue and take advantage of it to run anti-North Korean campaigns, both domestically and internationally, in collusion with anti-North Korean forces. Referring to the base of potential bilateral talks, Song said an agreement North Korea struck with the then LDP-led government in August 2008 in Shenyang, China, is “invalid,” and urged the Kan government to craft new policy initiatives. Under the Shenyang accord, North Korea was to reinvestigate the abduction cases as swiftly as possible and try to complete the probe by the fall of that year, while Japan was to ease sanctions once the reinvestigation starts. “We must make a fresh start from a new angle,” the ambassador said. “We don’t understand why the DPJ considers implementing the Shenyang accord, which was invalidated by the LDP” due to former Prime Minister Taro Aso’s “hostile” policy toward the North with increased sanctions. Touching on relations with the United States, Song said North Korea “would not be upset” even if Washington slaps new financial sanctions on his country. He repeated Pyongyang’s call for lifting U.N. sanctions so the country can take part in the six-party talks on the North’s nuclear threat on an “equal footing” with other members. (Kyodo, “Kan Apology Irks ‘All North Koreans’: Envoy,” Japan Times, August 13, 2010)
The Foreign Ministry is under fire for mistranslating a key term in Japanese Prime Minister Naoto Kan’s apology for colonial rule. Kan pledged his government will “transfer” historical artifacts seized during the colonial period between 1910 and 1945, but the Foreign Ministry quoted Kan as saying it will “return” them, and even highlighted the word in bold in a press release. Japan’s position so far has been that all claims for restitution were settled under the Korea-Japan Normalization Treaty in 1965. The word “return” would imply that Tokyo now recognizes the illegality of taking the treasures and could open the way for a massive repatriation of looted artifacts. But Japan avoided the delicate issue with the word “transfer.” (Chosun Ilbo, “Gov’t Mistranslation of Japanese Apology Touches Sore Point,” August 13, 2010)

In the 16 years since he assumed his father’s role as North Korea’s sole leader, Kim Jong-il has been denounced by the United States as a vicious dictator who starves his people, runs gulags, sets off nuclear tests and orders attacks on South Korean ships. But now the Obama administration is concerned that what comes next could be worse. What is coming, they fear, is Kim’s third son, Kim Jong-un, who is thought to have been the moving force behind a new wave of aggressive actions by the North and appears to be in line to succeed his father. SecDef Robert M. Gates – who took an intense interest in North Korea during his many years as an intelligence officer and then the director of the C.I.A. – offered an on-the-record glimpse of the administration’s internal analysis, saying that the North’s provocative actions were indications that the dictator’s son “has to earn his stripes with the North Korean military.” He voiced suspicions that it was the succession struggle – in which Kim Jong-il is helping to build the credentials of his son, who is either 27 or 28 – that could explain the attack on a South Korean frigate, the Cheonan, that killed 46 South Korean sailors in March. “My worry is that that’s behind a provocation like the sinking of the Cheonan,” Gates said during an appearance in San Francisco. In a question-and-answer series after his speech, the defense secretary, echoing statements by American military leaders, said that until the North Korean succession was settled, the Cheonan sinking could turn out to be the first of several such attacks. Last week a South Korean fishing boat was seized in disputed waters, and the North Koreans, apparently reacting to recently completed military exercises conducted by the United States and the South Koreans, raked the area with gunfire. The action was mostly symbolic; there were no other forces nearby. “We’re very concerned that this may not be the only provocation from the North Koreans,” said Gates, who, along with Secretary of State Hillary Rodham Clinton, held talks with their South Korean counterparts last month. But Gates also characterized the North right now as “very frail,” apparently referring to continuing reports of widespread hunger and the outcry from a failed effort early this year to revalue its nearly worthless currency, which wiped out what few savings North Koreans could scrape together. That effort was later reversed when it appeared likely to set off uprisings. Next month the North Koreans are expected to convene a meeting of the country’s top political leadership. There has been widespread speculation in the Japanese and South Korean media that the younger Kim will make his debut, either as the designated successor to his father, or in some central role in the country’s politburo or its most important institution, the National Defense Commission. One leading theory is that if the elder Kim, who suffered a stroke in 2008 and appears to have only partly recovered, dies in the next few years, the country would be run by a regent, probably his brother-in-law,
Jang Song-taek. But the younger Kim, who was briefly educated in Switzerland as a teenager, would be the designated leader, and presumably would ultimately take charge. Many analysts are focusing on a possible transition in 2012, the 100th anniversary of the birth of North Korea’s founder, Kim Il-sung, the father of the current leader and grandfather of the presumed successor. He died in 1994. “You hear all these theories about how Kim Jong-un is aggressively pressing for more attacks on South Korean targets, or maybe even striking out at its allies,” said Jonathan Pollack, a professor at the Naval War College in Rhode Island and one of the country’s leading North Korea watchers. “And it’s easy to believe, because this is what happened 30 years ago,” when Kim Jong-il, also young, untested and unpredictable, was thought to be responsible for many North Korean attacks. It was presumed that the elder Kim, like his son now, was looking to win the allegiance of the North Korean military, which is constantly trying to bolster its image as an unbeatable, nuclear-armed force. “But remember, we don’t even know what the kid looks like, or even exactly how old he is,” Pollack said. “So this is a mix of intelligence and speculation, like everything else in North Korea.” Among the speculation is that the elder Kim may be restraining his son from conducting a range of other attacks, much as he himself was restrained decades ago. But so far, there is scant evidence that the younger Kim has any independent authority. “The last transition took place over a period of 10 years or so, during which Kim Il-sung gradually gave authority to Kim Jong-il,” said Joel Wit, a former State Department negotiator with the North who founded the Web site 38North, which follows the country’s murky politics. “But there is no evidence that the son has that authority now.” At the same time, he said, “There is a sense that if the Obama administration doesn’t want to negotiate with Kim Jong-il these days, they could be positively nostalgic for him in a few years.” (David E. Sanger and Thom Shanker, “North Korea Rattle Sabers for an Heir,” New York Times, August 14, 2010, p. A-4)

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A former official told Crisis Group that “Won Se-hun was in over his head and did not know anything about intelligence and did not know how to manage an intelligence bureaucracy”. Furthermore, the official did not trust the intelligence products provided by Won so he frequently “sought alternative data and information because he thought the intelligence Won provided was not that good.” During meetings with the president and senior officials at the Blue House, Won allegedly frequently claimed that North Korea was on the brink of collapse and that it was urgent for Seoul to prepare for sudden unification. Others disagreed with his assertions, and when asked for evidence or intelligence supporting his claims, Won never provided any. Nevertheless, he eventually was able to persuade Lee so the president began to reflect this position in policy speeches. (Crisis Group, Risks of Intelligence Pathologies in South Korea, August 5, 2014, p. 22)

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President Lee Myung-bak proposed a three-stage reunification with North Korea and the introduction of a “unification tax” to prepare for the huge financial burden expected if the two Koreas are reunited. The offer marked the conservative president’s first specific comments on the long-term goal of reunification. “Today, inter-Korean relations demand a new paradigm,” Lee said in a televised speech to commemorate the 65th anniversary of Korea’s independence from Japan’s 1910-45 colonial rule. “It is imperative that the two sides choose coexistence instead of confrontation, progress
instead of stagnation. The two of us need to overcome the current state of division and proceed with the goal of peaceful reunification.” Lee reiterated calls for the North’s leadership to face reality and not be afraid to change. Lee unveiled his blueprint for a unified Korea, saying creating a “peace community” that assures security and harmony is the first step. He set the denuclearization of the North as a prerequisite. The next step is to carry out comprehensive inter-Korean exchanges and cooperation with a view to developing the North’s economy dramatically. The result will be an economic community in which the two will work for economic integration,” he said. After this, the two Koreas can remove the wall of different systems and establish a genuine community, where freedom and basic rights of all Koreans are guaranteed, Lee pointed out. Lee also asked his country to consider a special tax to finance preparations for reunification in the future. South Korea is estimated to shoulder a cost of around US$1.3 trillion in case it reunifies with the North, according to a study commissioned by a parliamentary committee. Germany has spent two trillion euros over the last two decades to cover its so-called reunification cost. The president asked experts and politicians to start discussions on the size of the unification tax and ways to levy it. On the often-troubled relations with Japan, Lee said Seoul and Tokyo should seek "concrete measures" to develop a new partnership. Lee positively assessed Japan’s efforts to improve ties with South Korea shown in PM Kan’s statement last week, which apologized for Tokyo’s 1910-45 colonization and admitted it was against the will of the Korean people. "I have taken note of Japan’s effort, which represents one step forward,” Lee said. “However, there still remain issues that have to be resolved. The two countries are called upon to take concrete measures to forge a new relationship for another 100 years." (Lee Chi-dong, “Lee Proposes 3-Step Reunification with N. Korea, Related Tax,” Yonhap, August 15, 2010) President Lee Myung-bak of South Korea proposed a special tax on Sunday to finance the enormous cost of reuniting with North Korea, as concerns have deepened here over the North’s future after the eventual death of its ailing leader. The proposal broached a delicate issue, and analysts said it could provoke an angry response from the North, which may see it as an aggressive move by the South. Although all previous South Korean leaders have advocated rejoining the North, Lee was the first to propose that the South start saving for the event with a unification tax. “Reunification will definitely come,” Lee said in a speech marking the 65th anniversary of the Koreans’ liberation from 35 years of Japanese colonial rule. "I believe that the time has come to start discussing realistic policies to prepare for that day, such as a reunification tax.” Lee did not elaborate on what prompted his proposal. But it came as officials and analysts in Seoul contemplated the possibility that the North’s leader, Kim Jong-il, could die before a successor gained firm control. The North Korean government has recently begun indoctrinating its people with songs and lectures lionizing the son, according to South Korean intelligence officials. Still, the younger man’s apparent lack of leadership experience has prompted analysts to speculate about potential instability if Mr. Kim dies suddenly, and the possibility that China might intervene militarily. “North Korea will take a unification tax as the expression of a South Korean attempt to prepare for a sudden collapse of the North Korean government,” said Kim Yong-hyun, an analyst at Dongguk University in Seoul. Yang Moo-jin, a researcher at the University of North Korean Studies in Seoul, said, “President Lee should have first reinstalled South-North exchanges and laid the groundwork for the mood for unification before proposing a

A presidential committee on military reforms plans to propose to President Lee Myung-bak that the military adopt an operational plan that allows its forces to preemptively strike North Korean bases if they see a sign of impending aggression, officials said. The concept of "active deterrence" is key to preventing such provocations by North Korea as the deadly March sinking of a South Korean warship, and will require the South to secure an elevated capability to monitor the North, members of the committee said. “This is a concept that allows for attacks if North Korea shows signs of preparing nuclear and missile attacks,” one member said, citing a committee meeting he attended. The official declined to be named. Another member of the 14-person committee, headed by former professor Rhee Sang-woo and joined by Defense Minister Kim Tae-young, said the Cheonan sinking has transformed Seoul’s view on national defense. “The existing concept of deterrence was an approach based on the idea that the North would not attack, as long as we built up our forces, but the Cheonan case showed this concept to be unsuitable,” he said, also declining to be identified. (Yonhap, “Committee to Urge President Lee to Switch to ‘Active Deterrence,” August 15, 2010)

KPA General Staff: “Huge armed forces of the U.S. imperialist aggressor troops including nuclear strike means had already been deployed in south Korea and its surrounding waters and operation groups of the three services are placed on alert in the central Pacific line and the U.S. mainland ready to be hurled into the Korean front in case of contingency. Involved in the maneuvers will be not only active-duty personnel and reserve forces of the south Korean puppet group but local puppet administrative organs and civilian enterprises. The ‘Cheonan' sinking case was the first phase of the reckless anti-DPRK military provocations based on unprecedented fabrication and smear campaign while the war maneuvers including the Ulji Freedom Guardian joint exercises represent the phase of practical actions aimed at a full-dressed military invasion. This is because the projected war maneuvers under the spurious signboard of ‘defense' are belligerent and undisguised DPRK-targeted war exercises. The prevailing situation goes to prove that the said exercises are an all-out war maneuvers against the DPRK, the largest-ever nuclear war maneuvers undeniable in light of the scale of means and forces, contents and nature of the exercises. The reality indicates that the plan for building ‘a world without nuclear weapons’ and denuclearization of the Korean Peninsula much touted by the Obama Administration are nothing but hypocrisy and reveals the treacherous and anti-reunification hideous crimes of the Lee Myung Bak group of sycophants and quislings toeing the U.S. line. The army and people of the DPRK will never be taken aback by the reckless war provocations of the bellicose forces. Now that the reckless war maneuvers targeted against the DPRK have reached the limit, the army and people of the DPRK will deal a merciless counterblow to the U.S. imperialists and the Lee Myung Bak group of traitors as it had already resolved and declared at home and abroad. The military counteraction of the DPRK will be the severest punishment no one has ever met in the world. The Obama Administration would be well advised to cool its head heated with the moves to isolate and stifle the DPRK and deeply ponder over what the DPRK
meant when it clarified its resolute determination and solemn declaration to defend the country and the nation.” (KCNA, “KPA Warning on U.S.-S. Korea War Maneuvers,” August 15, 2010)

President Lee Myung-bak ordered his military to “thoroughly” prepare and conduct extensive annual joint drills with the U.S. as a means to prevent war from reoccurring on the peninsula. "Ulchi Freedom Guardian (UFG) is an exercise for peace and war deterrence," Lee said during a special Cabinet meeting held at an underground bunker in the presidential compound as tens of thousands of South Korean and American troops kicked off 11 days of computerized war games. (Yonhap, “Lee Orders Thorough Military Drills to Counter N. Korea Threats,” August 16, 2010) 86,000 U.S. and South Korean troops launched their latest round of joint military exercises. In tandem with the exercises, 400,000 South Korean government employees will participate in an anti-terrorism drill that includes a simulated attack. Seoul will host the Group of 20 summit in November, and both U.S. and South Korean intelligence agencies fear a terrorist attack from Pyongyang. Yesterday, North Korea threatened to respond to the drills with what a military spokesman called the "severest punishment" that anyone in the world has ever faced. (Chico Harlan, “U.S., S. Korea Launch Joint Military Exercises amid Threats from N. Korea,” Washington Post, August 16, 2010)

Trade between North Korea and China for the first half of 2010 was $1.29 billion, a 16.8% increase over the corresponding period of last year. Using Chinese customs statistics, the South Korean embassy in China revealed the details of Sino-North Korean trade on Monday. According to the statistics, North Korean exports to China fell by 1.1% in the same period to $350 million, while imports from China increased by 25.2% to $940 million. As a result, North Korea's trade deficit with China was $590 million, a 48.5% increase over the previous year. According to the statistics, North Korea imported 140,000 tons of food, 300,000 tons of oil and 100,000 tons of fertilizer during the period. Notably, flour imports rose by 383%. (Daily NK, “Sino-North Korea Trade Deficit Rises,” August 16, 2010)

The U.S. administration of President Barack Obama has decided not to state explicitly that islands disputed by Japan and China in the East China Sea are subject to the Japan-U.S. security treaty, in a shift from the position held by former President George W. Bush, sources familiar with the matter said. Although the U.S. government has not officially changed its stance that the Japan-U.S. pact applies to the islands, known in China as the Diaoyu, the shift from making a direct reference to them could become a source of concern for Tokyo as it addresses the dispute with Beijing, the sources said. The U.S. administration has already notified the Japanese government of the change in its policy, but Tokyo may have to take countermeasures in light of China’s increasing activities in the East China Sea, according to the sources. Japan’s concern over the uninhabited islands became heightened when a Chinese oceanographic research vessel entered Japanese territorial waters near the islands in December 2008, shortly before the launch of the Obama administration. The Obama government, however, had decided from the start not to state explicitly that the Japan-U.S. security pact applies to the islands, the sources said. Washington is believed to have shifted position so as not to irritate Beijing as it wanted to secure cooperation in the U.S. economy’s
recovery from the financial crisis, the sources said. In March 2004, then U.S. State Department deputy spokesman Adam Ereli told a press briefing, "The Senkaku Islands have been under the administrative control of the government of Japan since having been returned as part of the reversion of Okinawa in 1972." The spokesman also said, "Article 5 of the 1960 U.S.-Japan Treaty of Mutual Cooperation and Security states that the treaty applies to the territories under the administration of Japan; thus Article 5 of the Mutual Security Treaty applies to the Senkaku Islands." When the Japanese government sought confirmation of the U.S. position on the islands in March last year, the Obama administration said the islands have been under Japanese administrative control since the 1972 reversion and the Japan-U.S. security pact applies to territories under Japanese administration, but it did not mention directly that the Senkaku Islands are subject to the pact, the sources said. (Kyodo, "U.S. Not to State Security Pact with Japan Covers Senkukus," August 16, 2010)

Intelligence authorities are analyzing footage of a new battle tank shown on North Korean state TV recently. So far the existence of the "Pokpung" (Storm) had only been a rumor. A South Korean military source said the Pokpung appears to be an improved version of the North Korean Army's previous model "Chonma" (Flying Horse) in terms of firepower and maneuverability. The Pokpung tank is also known as the M-2002, as it is presumed to have been rolled out in 2002. Armed with a 125 mm or 115 mm gun, the Pokpung appears to be a drastically improved version of the former Soviet Union’s T-62 tank, the latest issue of Defense Science & Technology Information, a magazine published by the Defense Ministry says. (Chosun Ilbo,"N. Korea Unveils New Battle Tank," August 17, 2010)

North Korea has taken its propaganda war against South Korea and the United States to a new frontier: YouTube and Twitter. In the last month, North Korea has posted a series of video clips on YouTube brimming with satire and vitriol against leaders in South Korea and the United States. In one clip, it called Secretary of State Hillary Rodham Clinton a “minister in a skirt” and Secretary of Defense Robert M. Gates a “war manic,” while depicting the South Korean defense minister, Kim Tae-young, as a “servile dog” that likes to be patted by “its American master.” Such language used to be standard in North Korea’s Cold War-era propaganda. Its revival is testimony to the increased chill in relations between the two Koreas in recent months. In the past week, North Korea also began operating a Twitter account called uriminzok, or “our nation.” Both the Twitter and YouTube accounts are owned by a user named “uriminzokkiri.” The website www.uriminzokkiri.com is run by the Committee for the Peaceful Reunification of Korea, a main propaganda agency in Pyongyang. “YouTube and Twitter gave North Korea a high-tech detour for its propaganda,” said Paik Hak-soon, an analyst at Sejong Institute. “But fundamentally, it’s not new technology but rather political tension that drives the North to lash out desperately in the face of mounting international pressure. (Choe Sang-hun, “North Korea Takes Propaganda War to Twitter, YouTube,” New York Times News Service, August 16, 2010)

A group of five South Koreans, the first since Seoul banned trips to the North three months ago, crossed the border to deliver $340,000 in anti-malaria aid. A doctor and four others, including two drivers, traveled to Kaesong, UnifMin Chun Hae-sung told
North Korea has apparently requested aid from Christian Friends of Korea (CFK) after recent flooding wrought heavy damage in parts of the impoverished country. The group said on its website last week that the North asked them to respond to a need for food, medicine and construction materials to the “fullest extent possible” to deal with “significant” flood damage. The organization said it will follow through on a planned visit to North Korea later this month and assess flash flood destruction in the areas it works in. This marks the first time a U.S.-based NGO has reported receiving an aid request directly from the North Korean government. (Kim Young-jin, “N. Korea Requests Flood Aid from U.S.-Based NGO,” Korea Times, August 17, 2010)

North Korea is known to have asked South Korea to hold a high-level summit last month despite the sinking of the South Korean naval corvette Cheonan March 26. A high-ranking official in Seoul said, “North Korea sent us a request to hold an inter-Korean summit even after it sank the Cheonan. This is its typical carrot-and-stick strategy. North Korea superficially proclaims military retaliation against sanctions imposed on it while suggesting an inter-Korean summit under the table.” On why Pyongyang made the suggestion again, the official said, “Because of economic sanctions (due to its second nuclear test last year and the Cheonan sinking this year) imposed on it, the North saw its revenue drop at least one billion dollars in one year, making it feeling antsy. It is hoping that economic assistance can be resumed through inter-Korean talks.” Another government source in Seoul said, “After Yim Tae-hee, who controlled the unofficial dialogue channel with North Korea last year, was named presidential chief of staff July 9, Pyongyang asked Seoul to send someone to

8/18/10 DPRK FoMin spokesman: “The U.S. and the south Korean puppet authorities kicked off UFG, the largest-ever joint military exercises to attain an unprecedentedly belligerent goal, on August 16. The all-round joint military exercises being staged across south Korea in the wake of the provocative war maneuvers in the East and West Seas of Korea in less than one month are the dangerous military provocations to ignite a nuclear war on the Korean Peninsula at any cost. These war maneuvers are a wanton violation of the Armistice Agreement and diametrically run counter to the presidential statement of the UNSC dated July 9, 2010 which calls for settling the pending issues on the Korean Peninsula through dialogue and negotiations in a peaceful manner. Such ceaseless military provocations being perpetrated in utter disregard of the concern of the international community about the tensions running high in the Korean Peninsula and the region go to clearly prove that the U.S. is, indeed, the arch criminal threatening and wrecking the global peace and security. The warmongers are so reckless as to dig their own graves. The DPRK is ready both for dialogue and war and has all means and methods to defend itself. The prevailing situation makes the DPRK more keenly feel the validity and vitality of the Songun politics. The U.S. and the south Korean authorities should understand that there is a critical point in the tension, too, and should not calculate they can evade the blame for the explosive situation.” (KCNA, “FM Says DPRK Has All Means and Methods to Defend Itself,” August 19, 2010)
Chanamsan Hotel in Kaesong.” “This is because it wanted to know if the promise Yim made in Singapore (of hosting an inter-Korean summit and giving economic assistance to the North) in October last year would be kept.” The source said Seoul sent a representative to Kaesong to say “the promise cannot be kept and things have changed.” Still another South Korean government source said, “We know North Korea has sent messages asking to hold an inter-Korean summit through various channels, but whether the channels are official or unofficial remain uncertain.” President Lee Myung-bak reportedly told a meeting of scholars shortly after the Cheonan sinking, “North Korea is expecting a summit but many under (North Korean leader) Kim Jong Il are against it.” Seoul, however, has officially denied receiving such requests. A source from the Office of the Senior Secretary to the President for Foreign Affairs and National Security said, “We never received a message received from North Korea and no dialogue is being held with the North on the government level. The dialogue channel with the North is now being cut.” Another government source said, “It’s news to me that a man was sent to Chanamsan Hotel.” (Dong-A Ilbo, “North Korea Asked for Inter-Korean Summit Last Month,” August 18, 2010)

Minutes from a Sejong Foundation Board of Trustees meeting have confirmed that an important factor in the decision to dissolve the institute was the political goal of driving out progressive and reformist researchers. A plan is reportedly in progress to dissolve a unification and foreign affairs research organization affiliated with the Sejong Foundation along with the Korea Economic Research Institute (KERI) affiliated with the Federation of Korean Industries (FKI) to establish a large conservative institute in corporate form. It was also confirmed that concerns were expressed during the meeting that the plan for the new corporation overwhelmingly favored the FKI and appeared to represent an attempt to hand the foundation over to them. The minutes of the meeting, obtained by Hankyoreh today, state that Sejong Foundation Chairman Gong Roh-myung said, “It was first reported that KERI was coming into the Sejong Foundation, but as the plan progressed, it turned into the dissolution of the two institutes and the formation of a corporation. The basic premise was that people at Sejong held pro-North Korea ideas and Sejong was perceived as a North Korea-friendly, leftist institute, and that there was no excuse for this.” The meeting took place at Hotel President in Seoul on July 14. At the meeting, Gong said that the pursuit of a merger could be the improvement of the Sejong Foundation’s financial structure, and a good way to reduce criticisms of Sejong [as a pro-North Korea, leftist institute] and achieve reforms. “Gong also reportedly spoke recently to the head of the Sejong Institute’s labor union, who expressed opposition to the foundation’s dissolution. “Do you know what other people say about the Sejong Institute?” Gong asked him. “They call it a hotbed of leftism.” (Lee Je-hoon, “Two Institutes Restructured in ‘Leftist Purge,’” Hankyore, August 18, 2010)

Although thousands of North Koreans have fled their repressive home country in the past decade and a half, it is highly unusual for an elite pilot to defect. A North Korean pilot flew his MiG-19 to defect to South Korea in 1983. Another North Korean pilot did the same in 1996. China’s official policy is to return North Korean defectors, though in practice it allows many to stay quietly. (David Barboza and Choe Sang-hun, Pilot in
A Chinese delegation led by chief nuclear envoy Wu Dawei visited Pyongyang from Monday through Wednesday and the two sides held “in-depth discussions” on issues including the resumption of the six-party talks, KCNA said. “They reached a full consensus of views on all the matters discussed,” it said. China’s Foreign Ministry also confirmed Wu met with senior officials in Pyongyang including Foreign Minister Pak Ui-chun and top nuclear envoy Kim Kye-gwan. Neither side gave further details on their agreement. “Wu’s visit was probably made to tune out differences between the U.S. and North Korea over the conditions necessary to restart the six-party talks,” Cheong Seong-chang, a senior researcher at Seoul’s policy think tank Sejong Institute, said. “Based on North Korea’s report that the two sides reached a full consensus, I believe it will start making concessions and no longer condition the six-party negotiations on prior talks with the U.S. alone.” U.S. State Department spokesman P.J. Crowley said in a daily press briefing, “We continue to make clear to North Korea that there are steps that North Korea has to take to create the right environment for progress (of the six-party talks).” “We remain concerned about provocations that North Korea has made both recently and over many months,” he added. “Should we see that change, then that would give us indications that North Korea is serious about moving ahead.” (Shin Hae-in, “N.K., China Discuss Nuke Talks,” Korea Herald, August 20, 2010) KCNA: “Wu Dawei, special envoy for the Korean Peninsula issue of the Chinese government, and his party visited the DPRK from August 16 to 18. During their stay, they paid a courtesy call on Kim Yong Il, department director of the Central Committee of the Workers’ Party of Korea, and Pak Ui Chun, minister of Foreign Affairs, and had talks with officials concerned. At conversations and talks the two sides had in-depth discussions on the regional situation and the bilateral relations of friendship and matters of mutual concern including the resumption of the six-party talks and the denuclearization of the whole Korean Peninsula. They reached a full consensus of views on all the matters discussed. (KCNA, “Chinese Special Envoy Winds up Visit to DPRK,” August 19, 2010)

South Korea believes now is not the right time to talk about resuming international talks on North Korea’s nuclear programs, an official said today after a senior Chinese envoy visited Pyongyang on an apparent mission to kick-start the negotiating process. The previously unannounced trip included discussions on maintaining the peace and stability of the Korean Peninsula and on restarting the six-party talks, China said. (Chang Jae-soon, “Seoul Says Time Not Ripe for Six-Party Talks,” Yonhap, August 19, 2010) South Korea said August 20 it wanted Pyongyang to apologize for the sinking of one of its warships before it could consider a resumption of North Korea nuclear disarmament talks. "First of all, the North should take some sincere measures concerning the Cheonan incident," South Korea’s foreign ministry deputy spokesman Shin Maeong-Ho told AFP. "Under the current circumstances, it’s too early to talk about the resumption of the six-party talks," he said in reference to the multilateral forum aimed at inducing the North to give up its nuclear arsenal. (AFP, ‘Seoul Wants Apology before Talks Resume,” August 20, 2010)

North Korea secretly purchased missile-related equipment from China in April and has been trying to smuggle various other materials that U.N. sanctions forbade it from
obtaining, a local daily reported, quoting a government source. The local daily said North Korea smuggled a high-tech missile telemeter in April and also attempted to purchase from Japan a used excavator that can be used as a missile-launcher in June. The Chinese firm faked the name of the item to export the telemeter which is necessary to fire long-range missiles or rockets, the paper said. Foreign Ministry officials in Seoul declined to confirm the report. North Korea has also been seeking to bring in mass destruction weapons-related parts and luxury items such as Mercedes-Benz cars from China, Japan, Mongolia and Russia. Such information has been shared with Washington and will likely be reflected in the additional sanctions to be announced later this month, the paper reported. (Shin Hae-in, “N.K. Smuggled Missile Parts from China: Report,” Korea Herald, August 19, 2010)

North Korea is altering the online addresses of its statements denouncing South Korea and the United States in a new attempt to thwart Seoul's bids to block access to them, an official said on August 19. An official at the Korea Communications Commission, however, said that North Korea continues to modify the Internet protocol (IP) addresses of its statements to fool the South Korean watchdog. “We’re currently blocking new IP addresses as soon as we find them,” the official said, declining to be identified because he had yet to be allowed formally to give the information. North Korea is running the Twitter account at https://twitter.com/uriminzok, which had nearly 8,700 subscribers, or “followers,” as of this afternoon. It contained 20 messages, or "tweets," most of them showing links to official statements uploaded on its Web site. Some South Koreans said Wednesday and Thursday that they were able to read the North Korean statements via the links, sometimes even for hours, before they were blocked. (Sam Kim, “N. Korea Thwarting S. Korea’s Attempts to Block Access to Online Propaganda,” August 19, 2010)

North Korea on August 19 said it has seized a South Korean fishing boat, carrying four South Korean and three Chinese crewmembers, confirming the fate of the ship and its crew for first time since they were seized nearly two weeks ago. In a short dispatch from Pyongyang, KCNA claimed the boat Daeseung violated the inner-Korean border. (Yonhap, “N. Korea Confirms Seizing S. Korea Fishing Boat,” August 19, 2010)

North Korea agreed to hold an informal meeting with its five dialogue partners at the long-stalled nuclear talks before the resumption of a formal round, a Japanese newspaper reported August 21. Briefing a group of Japanese opposition lawmakers traveling to Beijing the Japanese delegation on the results of his trip, China’s top nuclear envoy Wu Dawei said North Korea expressed willingness to hold preliminary talks with the U.S. and join an informal meeting of top representatives to the six-way talks also involving South Korea, Japan and Russia, according to Mainichi Shimbun. (Yonhap, N. Korea Willing to Hold Preliminary Nuke Talks before Formal Round: Report,” August 21, 2010)

The State Department is considering sending a high-level public figure to North Korea to facilitate the release of a Boston man who is being held there and may be in severely poor health, according to multiple sources close to the discussions. Aijalon Mahli Gomes, a 30-year-old man from Boston, was sentenced to 8 years in prison in April, about three months after he was arrested crossing into North Korea via China. In
July, North Korea’s official media organ reported that Gomes had tried to commit suicide. Earlier this month, the State Department secretly sent a four-man team to Pyongyang to visit Gomes, but was unable to secure his release. The North Koreans have been trying to use Gomes as a bargaining chip and conflate his detention with other policy issues, such as their frustration over being accused of sinking the South Korean ship the Cheonan. In June, they threatened to apply "wartime law" to the Gomes case if America’s "hostile" approach to North Korea continued, which could mean a life sentence for the young man. The North Korean regime has communicated that it wants a prominent American official to visit Pyongyang to secure Gomes’s release, similar to the August 2009 trip by former President Bill Clinton, who made a dramatic visit to Pyongyang to bring home Current TV reporters Laura Ling and Euna Lee, who received a "special pardon" from the Dear Leader. The State Department is resisting sending a U.S. government representative, one source outside the department said, because the administration doesn’t want to allow North Korea to conflate the Gomes case with the outstanding policy issues between Washington and Pyongyang, which include the administration’s refusal to resume multilateral or bilateral talks until the regime reaffirms its commitment to denuclearization, a promise made toward the end of the Bush administration. The most obvious choice for the trip is Senate Foreign Relations Committee chairman John Kerry, D-MA, who is not only a prominent diplomatic figure but has also been intimately involved in the Gomes case since it began. In fact, it was Kerry who first contacted the State Department on behalf of Gomes’s mother and facilitated the identification of Gomes after North Korea announced it had captured an American. "No decision has been made on whether Senator Kerry would go to the DPRK [North Korea], but any such move would be done in close consultation with the State Department and the White House," said Frederick Jones, communications director for the Senate Foreign Relations Committee, who added that Kerry has offered to do whatever he can to assist in securing the release of Gomes. The State Department also at one point considered New Mexico Gov. Bill Richardson to go on the trip, one source close to the discussions said. Richardson has had success rescuing American imprisoned abroad and has also traveled to North Korea in the past. We’re hearing that Jimmy Carter is also on the list. "We are in direct contact with North Korea regarding Mr. Gomes. We are worried about his health and welfare," State Department spokesman P.J. Crowley told The Cable. "We just had a team visit with him and we want to see him returned to the United States as soon as possible. We will continue to urge North Korea to release Mr. Gomes on humanitarian grounds." Meanwhile, Gomes is said to be in poor health and poor spirits. For Kerry, this issue is both international and local as he tries to aid his constituent and also facilitate a positive interaction with one of the world’s most insulated and brutal regimes. (Josh Rogin, “State Department Mulls New High Profile North Korea Rescue Mission,” The Cable, August 20, 2010)

South Korea will soon launch talks with the U.S. and Iran about sanctions on the Middle Eastern nation amid Washington’s accelerating moves to curb Tehran’s nuclear weapons program, a government official said. "Nothing has been decided yet on when and how we will start discussions with them," said the official on condition of anonymity. "But we will soon launch talks with the U.S. and Iran, respectively, as Washington announced details of financial measures against Iran," he said. (Yonhap, “S. Korea to Start Talks with U.S., Iran over Sanctions,” August 20, 2010) South Korea
has come under pressure from the Obama administration to sacrifice the first for the sake of the second by signing on to stringent new sanctions against Iran. After much dithering, Seoul learned this week that it is running out of time to respond. Iran is South Korea’s largest trading partner in the Middle East and supplies about 10 percent of its oil. If Seoul restricts financial dealings with Tehran -- exceeding measures outlined in the latest U.N. resolution -- it will jeopardize a relationship worth an estimated $10 billion a year. South Korea had planned to respond to the U.S. request by October, when the Treasury Department was expected to release details of the new financial sanctions against Iran. But on August 16, that plan was derailed when Treasury unveiled its measures weeks early -- and deprived Seoul of its rationale for delay. According to economic and political analysts here, the move is likely to force President Lee Given security concerns on the Korean Peninsula and the South’s military ties with the United States, Lee has “no choice but to follow the recommendations from Washington,” said Alon Levkowitz, a Korea expert at Jerusalem’s Hebrew University. That decision could come at a cost. “The South Korean people would not be happy about it, and there would be backlash against the U.S., too,” said Moon Chung-in, a Yonsei University professor of political science. “Koreans think Lee Myung-bak has identified too much with the U.S., and if he goes along with this, I think that question could be the major issue in the next presidential elections.” A trade relationship that gained traction in the 1970s now features 2,000 small and medium-size South Korean businesses with footprints in Iran and, according to the Korea Times, 25 South Korean mega-corporations, including giants Hyundai, LG and Samsung. The measure for which the United States is trying to rally international support, the Comprehensive Iran Sanctions, Accountability and Divestment Act, targets Iran’s energy sector, which sustains its economy. Several of South Korea’s largest oil refiners, including SK Energy and Hyundai Oil Bank, buy Iranian crude. At the beginning of July, the South Korean firm GS Engineering & Construction, citing sanctions, independently canceled a $1.2 billion project to refine Iranian natural gas. Another key part of Obama’s plan to curb nuclear proliferation calls for participating countries to freeze the assets of financial institutions suspected of being used to fund weapons development or other illicit activities. One of those targeted is Iran’s Bank Mellat, which happens to have a single Asian branch, based in Seoul, and is accused of facilitating hundreds of millions of dollars’ worth of nuclear-related transactions. According to South Korea’s Yonhap news service, Bank Mellat is used for 70 percent of South Korean export transactions with Iran. Washington wants Seoul to close it. South Korean officials have kept a low profile in recent weeks, promising to implement the less stringent U.N. resolution but also to watch the “potential impact on [the] domestic economy,” said Kim Young-sun, a spokesman for the Ministry of Foreign Affairs and Trade. The prospect of harsher penalties has prompted angry rhetoric from Tehran, including threats to raise tariffs on South Korean products by 200 percent. “We will hike [tariffs] so much so that no one will be able to buy foreign goods,” Iranian Vice President Mohammad Reza Rahimi said, according to Iranian news media. Seoul officials also say they fear losing access to Iranian oil. Yoon-shik Park, a finance professor at George Washington University and a former financial adviser at Samsung, said South Korea will probably fall into line on the U.S. sanctions but also seek “wiggle room.” “If the South Korean government can find a way to satisfy the letter of the law while channeling their economic activities away from Iranian institutions -- non-Iranian banks, maybe in Dubai -- that’s the first step,” Park
said. “And then use some back-channel diplomatic efforts with the Iranian government. That is what I think South Korea should do, to avoid blowing this up into an open trade war.” (Chico Harlan, “Iran Sanctions Challenge South Korea to Balance Interests,” Washington Post, August 20, 2010)

8/21/10

Police arrested Han Sang-ryeol yesterday when the 60-year Christian pastor and activist returned from a 70-day unauthorized trip to the North after receiving a hero’s farewell from his hosts, according to the Ministry of Unification. Han is suspected of praising the “enemy” during the trip. Without Seoul’s permission, Han entered the North from China on July 12 to participate in a ceremony in Pyongyang to celebrate the 10th anniversary of the Joint Declaration, a peace pledge made during the first inter-Korean summit on June 15, 2000. Intelligence officials and prosecutors said Han is likely to be charged with several criminal counts, such as praising and encouraging the enemy, which violates the National Security Law. He could face up to seven years in prison if convicted, police said. (Moon Gwang-lip, “Pastor Likely to Face Charges of Praising Encouraging ‘the Enemy,’” JoongAng Ilbo, August 21, 2010)

A former North Korean premier who was apparently sacked for proposing a wage system deemed too similar to U.S.-style capitalism has returned to power after being demoted to being manager of a chemical plant. Yonhap said that a North Korean radio report introduced Pak Pong Ju as the first deputy director of the Central Committee of the Workers’ Party. Pak had been chief administrative manager of the Sunchon Vinalon Complex after being fired as premier in April 2007. Mainichi Shimbun reported in 2007 that Pak was dismissed because he suggested an incentive-based wage system for workers. (Associated Press, “Report: N. Korean Ex-Premier Retruesd to Power,” August 21, 2010) “His reinstatement could signal the return of pragmatists and reformists,” said Cheong Seong-chang, a North Korea analyst in the Sejong Institute south of Seoul. “We may be able to see him push the economic reform and openness he had once championed.” Analysts in Seoul say that few North Korean officials wield much individual influence in Kim’s government. But they say that they can infer Kim’s plans from the way he punishes and rewards officials identified with various policy approaches. “Pak’s reinstatement indicates that North Korea is shifting back to market reforms, even if grudgingly, after its botched attempt to re-enforce state control on the economy,” said Baek Seung-joo, the head of North Korea research at the government-financed Korea Institute for Defense Analyses in Seoul. Pak, a lifetime technocrat, was best known as the architect of “Measures to Improve Economic Management Order.” Issued on July 1, 2002, they indirectly acknowledged the failure of the North’s ration system by instructing factories, collective farms and other economic units to provide their own daily necessities and give incentives for workers. In September 2003 Pak was made prime minister, a post in charge of carrying out economic policies. His reforms were necessitated by the collapse of the centrally planned economy after a famine in the mid-1990s. But they also coincided with – and fueled – the spread of private markets, which quickly emerged as a key source of food and other necessities for North Koreans. But Pak’s reform programs irked the government’s old guard, especially in the hard-line military, which had grabbed the lion’s share in trade under the old system. The markets facilitated the influx of DVDs and other smuggled goods the government considered a capitalist threat. Pak’s reinstatement adds to the growing

8/22/10 South Korea’s government and ruling party have been in talks to consider resuming food aid to North Korea that has been halted due to deteriorating inter-Korean relations, as part of efforts to improve its relations with Pyongyang and to control its rising rice stockpiles, lawmakers said. In a meeting with senior government officials, Ahn Sang-soo, chairman of the ruling Grand National Party (GNP), raised the necessity of considering resumption of rice shipments to Pyongyang, citing the North’s worsening food crisis in the wake of recent severe floods, according to GNP spokesman Ahn Hyoung-hwan. The GNP chairman also said that a North Korea-bound rice shipment would help Seoul promote rice consumption and cut costs for the state’s stockpile of rice, particularly ahead of the government’s upcoming annual rice purchases. (Yonhap, “S. Korea Considers Resuming Rice Aid to N. Korea: Officials,” August 23, 2010)

8/23/10 The State Department greeted the news that Jimmy Carter had secured the release of Aijalon Mahli Gomes by warning other Americans not to go to North Korea, saying they risked “heavy fines and long prison sentences with hard labor.” Even as it keeps up its tough tone, however, the United States has begun weighing a fresh effort at engagement with Kim’s government, officials and analysts briefed on the deliberations say. Such an overture would come “several moves down the chessboard,” a senior official said, and would be preceded by additional pressure tactics. But it suggests that the administration has concluded that pressure alone will not be enough to move North Korea’s ailing, reclusive dictator. At a high-level meeting today on North Korea, Secretary of State Hillary Rodham Clinton solicited ideas from outside experts and former officials about the next steps in policy toward the North. The consensus, even among the hawks, was that the United States needed to resume some form of contact with Kim, according to several people who took part. Clinton, these people said, expressed impatience with the current policy, which is based on ever more stringent economic sanctions and joint American-South Korean naval exercises – both in response to the sinking in March of a South Korean warship, for which South Korea blamed the North. Among those advocating a fresh overture is Stephen W. Bosworth, the special envoy for North Korea. He visited Pyongyang, the North’s capital, in December to explore the prospect of talks, but the administration could not decide whether to schedule a follow-up meeting, and then the warship was torpedoed. “The question is, what are we going to do now?” said Joel S. Wit, a former State Department negotiator with North Korea who founded a Web site, 38 North, which follows North Korean politics. “The answer is re-engagement. There aren’t any other tools in the toolbox.” Far from abandoning pressure tactics, officials said, the United States is likely to increase them. In July, it announced new measures aimed at choking off sources of hard currency for the government and its allies. Mrs. Clinton sent a senior adviser, Robert J. Einhorn, to Asia to drum up support for the sanctions. The military, defying threats from North Korea and anger from China, has held several days of joint drills with South Korea in the Yellow Sea. “We don’t want to go down the old road and repeat the experiences of the past,” said Jeffrey A. Bader, senior director for Asian affairs at the National Security Council. “We are looking for behavior change by the
North Koreans.” Still, there is growing concern, even among hawkish analysts, that pressure, without any dialogue, raises the risk of war. Some critics also contend that there is little evidence the sanctions have forced the North to retreat from its nuclear program or its belligerence toward South Korea. Kim’s deteriorating health, and the succession struggle it has set off, have increased the pressure on the administration to reach out, in the view of some analysts. While some officials argue that the United States can wait out the political transition, others fear that heightening the confrontation with North Korea could foreclose future opportunities for contact. As Victor Cha, a former Bush administration official who was responsible for North Korea, put it, “If they look like they’re preparing for war, there’s no opportunity to talk to the new leadership.” Still, there is growing concern, even among hawkish analysts, that pressure, without any dialogue, raises the risk of war. Some critics also contend that there is little evidence the sanctions have forced the North to retreat from its nuclear program or its belligerence toward South Korea. Kim’s deteriorating health, and the succession struggle it has set off, have increased the pressure on the administration to reach out, in the view of some analysts. While some officials argue that the United States can wait out the political transition, others fear that heightening the confrontation with North Korea could foreclose future opportunities for contact. As Victor Cha, a former Bush administration official who was responsible for North Korea, put it, “If they look like they’re preparing for war, there’s no opportunity to talk to the new leadership.” The administration, analysts said, is also losing confidence in China’s willingness to press the North. During a visit to Beijing in May, Mrs. Clinton invested a lot of energy in trying to persuade Chinese officials to accept the South Korean government’s finding that the North had sunk its ship. Her efforts were futile: Beijing never accepted the North’s culpability and it blunted Seoul’s drive for a United Nations statement condemning the attack. Symbolically, analysts said, Kim’s choice of a trip to China over a meeting with Mr. Carter highlighted North Korea’s economic and political dependence on Beijing. China has long pushed for the United States to talk to the North, and reopening a dialogue could help ease the tension between Beijing and Washington. One problem for the administration is the form and content of talks. Few analysts have much enthusiasm for the six-party format, under which North Korea has negotiated over its nuclear program with the United States, South Korea, China, Japan and Russia. But the talks are probably necessary to retain support of allies like South Korea and Japan. Another problem is that the administration has been uncompromising in its demands. Officials have repeatedly said that the United States will not negotiate until North Korea agrees to dismantle its nuclear weapons. Their fear is that the North will extract concessions, as it did during the Bush and Clinton administrations, only to test another nuclear bomb. An option, experts said, would be to engage North Korea on issues other than the nuclear program. But others said the issue was unavoidable. For now, the administration offers a more pragmatic strategy. “Americans should heed our travel warning and avoid North Korea,” said the State Department’s spokesman, Philip J. Crowley. “We only have a handful of former presidents.” (Mark Landler, “U.S. Considers Possibility of Engaging North Korea,” New York Times, August 28, 2010, p. A-8)

8/24/10 Jimmy Carter is set to travel to North Korea very soon, according to two sources familiar with the former president’s plans, in what they characterized as a private mission to free a U.S. citizen imprisoned there. Carter has decided to make the trip and
is slated to leave for the Hermit Kingdom within days, possibly bringing his wife and daughter along for the journey. His goal is to bring back Aijalon Mahli Gomes, a 30-year-old man from Boston who was sentenced to 8 years in prison in April, about three months after he was arrested crossing into North Korea via China. In July, North Korea's official media organ reported that Gomes had tried to commit suicide. Earlier this month, the State Department secretly sent a four-man team to Pyongyang to visit Gomes, but was unable to secure his release. There will be no U.S. government officials on the trip and Carter is traveling in his capacity as a private citizen, our sources report -- much like when former President Bill Clinton traveled to Pyongyang last August to bring home Current TV reporters Laura Ling and Euna Lee, who had wandered across the North Korean border with China and were promptly arrested and threatened with years of hard labor. A senior administration official would not confirm that Carter has decided to go but told The Cable, "If anyone goes it would be a private humanitarian effort." Carter's office did not respond to requests for comment by deadline. Sen. John Kerry, D-MA, had offered to go to pick up Gomes and has been working on the case for months, but our sources report Carter was selected because he is not a serving U.S. official. New Mexico Governor Bill Richardson had also been considered, but it's not clear why he was not chosen. Some experts argue that sending Carter is a bad idea that will only encourage further bad behavior on the part of Pyongyang. "Sending another ex-president establishes a very bad precedent," said Amb. Charles "Jack" Pritchard, who served as special envoy to North Korea during the George W. Bush administration. "Mr. Carter has a history, an understanding, and a point-of-view where I can’t imagine he would not, on his own, engage the North Koreans on substantive issues more than just the return of Mr. Gomes." "If that’s what they want," he said, referring to the Obama administration, "then he's a very appropriate choice." Obama's tough posture toward Pyongyang, which includes as yet unspecified new financial sanctions and repeated military exercises with U.S. ally South Korea -- all of which are meant to show solidarity and strength after North Korea sunk the South Korea ship the Cheonan -- could be compromised, said Pritchard. "It sends a signal, whether intended or not, that the United States is trying to get past the Cheonan incident, with the potential that we would be slightly out of step with the South Koreans," Pritchard said. That's not a universally held view among former Bush administration officials, however. "In the end, if the priority is to get the American out and that is what’s required, then it’s worth it, you’ve got to do it," said Victor Cha, Asia director for the National Security Council during the late Bush era. "If Carter can be helpful in getting some diplomatic dialogue going, that’s fine. I hope he doesn’t have some package to pull out of his pocket; that wouldn’t be helpful." Yet there are already signs that the Obama team’s decision to essentially forgo direct engagement for the time being while concentrating on pressure and coordination with allies is fraying at the top levels. We’re told that Secretary of State Hillary Clinton, who is said to be frustrated with the policy, had her Policy Planning chief Anne Marie Slaughter convene a high-level meeting at the State Department earlier this month to examine fresh options. No matter what Carter does or how the North Koreans respond, the debate in Washington is likely to ramp up due to this trip, said Wit. "The minute you send Jimmy Carter to North Korea, you’ve got to believe the pot is going to be stirred." (Josh Rogin, “Jimmy Carter Headed to Pyongyang on Rescue Mission,” The Cable, August 23, 2010) State Department spokesman Philip Crowley revealed last week that a U.S.
consular official, two doctors and a translator were allowed to see the detained U.S. citizen, Aijalon Mahli Gomes, at a hospital during their visit to Pyongyang from Aug. 9 to Aug. 11. Crowley said although the team conveyed the U.S. request to free Gomes, North Korea declined to grant permission. (Kyodo, “Carter to Visit N. Korea to Seek Detained Man’s Release: U.S. Magazine,” August 24, 2010)

Defense Minister Kim Tae-young said his military has toughened its policy on the use of force against North Korea’s coastline artillery firing, allowing troops to respond immediately if the North’s shells land south of their maritime border. “The Joint Chiefs of Staff recently revised the rules of engagement on the North Korean military’s coastline artillery firing and sent the revised rules to first-line troops,” Kim told lawmakers at a parliamentary session. “If North Korea fires artillery rounds south of the NLL, we will respond by firing toward north of the NLL,” Kim said, adding that Seoul will give advanced warnings to the North. The measure is a reaction to the North’s artillery firing early this month, Kim said. (Kim Deok-hyun, “S. Korea Toughens Rules on Force against N. Korea’s Artillery Firing,” Yonhap, August 24, 2010)

Carter, on a rare trip by a Western dignitary, was greeted at an official ceremony at Pyongyang airport by North Korean vice foreign minister and nuclear envoy Kim Kye-Gwan, KCNA said. (AFP, “Former U.S. President in N. Korea on Rescue Mission,” August 25, 2010) The United States, in indirectly informing the world of Carter’s visit, stressed that it was a private and humanitarian visit simply to free Gomes. This is because Senate Foreign Relations Committee Chairman John Kerry, who was mentioned as a special envoy, was not chosen, and no administration figures were included in Carter’s delegation. In response, a high-ranking South Korean official said the visit was an attempt to free Gomes before additional sanctions on North Korea are announced, and that the visit would have no real impact on the situation on the Korean Peninsula. That is to say, the United States has no plan to switch from the pressure it has put on North Korea since the sinking of the Cheonan. During a lecture he gave when visiting South Korea in March, Carter revealed his own view of North Korea diplomacy, noting that unilateral sanctions could backfire and that the United States and South Korea should first propose efforts to normalize their relations with North Korea. It appears North Korea’s acceptance of Carter’s visit was also made with this consideration in mind. A diplomatic source in Washington said North Korea must have heard from the United States that regardless of whether Gomes is freed or not, there would be no change in U.S. policy. However, Pyongyang, struck by severe floods, may hold the hope that Carter’s visit will launch the resumption of humanitarian food aid. (Kim Tae-ho, “Experts Say Carter Visit May Have an Impact on Current Tensions between the U.S. and N. Korea, Hankyore, August 25, 2010) It has now been revealed that University of Georgia North Korea expert Park Han-shik sponsored former U.S. President Jimmy Carter’s visit to North Korea. Moreover, Carter’s visit reportedly came after talks between Carter’s team, which pushed the visit first. During a telephone interview with the Hankyoreh on Tuesday, Park suggested that Carter, at his age, would not go all the way to North Korea only to rescue Gomes. Park said he thought during the visit that the former U.S. president would meet North Korean leader Kim Jong-il, discuss the nuclear issue and Cheonan sinking, and convey the discussion to the U.S. government. (Kim Tae-ho, “Scope of Carter Visit Remains in Question,” Hankyore, August 26, 2010)
8/25-27/10 Jimmy Carter and his party visited the DPRK from August 25 to August 27. Kim Yong Nam, president of the Presidium of the Supreme People's Assembly, met and had a talk with them. He discussed with Carter the pending issues of mutual concern between the DPRK and the U.S. Kim Yong Nam expressed the will of the DPRK government for the denuclearization of the Korean Peninsula and the resumption of the six-party talks. In particular, he emphasized that it is the behest of President Kim Il Sung to denuclearize the peninsula. Jimmy Carter made an apology to Kim Yong Nam for American Gomes' illegal entry into the DPRK and gave him the assurance that such case will never happen again on behalf of the government and the ex-president of the U.S. He asked Kim Yong Nam to convey to General Secretary Kim Jong Il a message courteously requesting him to grant special pardon to Gomes to leniently forgive him and let him go home. After receiving a report on the request made by the U.S. government and Carter, Kim Jong Il issued an order of the chairman of the DPRK National Defence Commission on granting amnesty to Gomes, an illegal entrant, pursuant to Article 103 of the Socialist Constitution of the DPRK. Carter expressed deep thanks for this. Earlier, the U.S. deputy assistant secretary of State for Consular Affairs and his party visited Pyongyang from August 9 to 11 in connection with the case of Gomes and met officials of the Foreign Ministry and a relevant legal body of the DPRK. The DPRK side took measures as an exception to ensure that they met Gomes three times and confirmed his condition. The U.S. side offered gratitude for these humanitarian measures. The measure taken by the DPRK to set free the illegal entrant is a manifestation of its humanitarianism and peace-loving policy. During the visit Carter and his party met and had an open-hearted discussion with the DPRK's foreign minister and vice foreign minister for U.S. affairs on the DPRK-U.S. relations, the resumption of the six-party talks, the denuclearization of the Korean Peninsula and other issues of mutual concern. They also enjoyed a performance given by the State Symphony Orchestra. The Pyongyang visit paid by Jimmy Carter, ex-president of the U.S., provided a favorable occasion of deepening the understanding and building confidence between the two countries. (KCNA, “Report on Jimmy Carter’s Visit to DPRK,” August 27, 2010)

8/27/10 Former U.S. President Jimmy Carter flew out of Pyongyang with an American citizen who had been detained in the communist country since January after winning his release. KCNA said in its English dispatch that Carter apologized to Kim Yong-nam, North Korea’s nominal head of state, for Gomes’ actions “on behalf of the government of the U.S.” and requested his release. "After receiving a report on the request made by the U.S. government and Carter, Kim Jong-il issued an order of the chairman of the DPRK National Defense Commission on granting amnesty to Gomes,” the report said. “The measure taken by the DPRK to set free the illegal entrant is a manifestation of its humanitarianism and peace-loving policy." The KCNA report also said Kim reiterated the North’s will "for the denuclearization of the Korean Peninsula and the resumption of the six-party talks," referring to the long-stalled multilateral forum aimed at ending Pyongyang’s nuclear weapons programs. It didn’t elaborate how Carter responded. (Yoo Jee-ho, “Freed American Leaves N. Korea with Former U.S. President Carter” Yonhap, August 27, 2010)
North Korean leader Kim Jong-il arrived in a Chinese industrial city, a day after making a pilgrimage to sites bearing footmarks of his late father, on an abrupt trip seen as related to his leadership succession plan. A convoy of some 30 vehicles, believed to be carrying the reclusive leader, arrived at the South Lake Hotel in the northeastern Chinese city of Changchun, about an hour and a half after leaving the nearby city of Jilin. Yesterday Kim paid a visit to Jilin’s Yuwen Middle School, which his father and national founder, Kim Il-sung, attended for two and a half years starting in 1927. Kim also visited Beishan Park in the city of Jilin where the remains of anti-Japanese independence fighters are buried. (Yonhap, North Korean Leader Arrives in Chinese Industrial City on Second Day of SurpriseTrip, “August 27, 2010)

Democratic Party of Japan heavyweight Ichiro Ozawa said Thursday he will run against Prime Minister Naoto Kan next month in the ruling party’s leadership election, a move that could possibly burden the country with its third premier in a year. “As I heard former Prime Minister Yukio Hatoyama say he will give me thorough support if I run in the election, I decided to do so today in front of Mr. Hatoyama,” Ozawa told reporters after meeting with Hatoyama. (Kyodo, “Ozawa to Run against Kan in DPJ Leadership Race,” August 26, 2010)

Deliberations over the official words Emperor Akihito would deliver at a banquet in Tokyo were painstaking. Officials in Seoul had hoped Akihito’s remarks would help to bring about a fresh start in relations. However, the emperor’s “deepest regret” over the past fell short of what some senior members of the South Korean government had wanted to hear. Still, South Korean President Roh Tae-woo left the banquet at the Imperial Palace on May 24, 1990, a happy man. In private talks with Roh, the emperor referred to “considerable ties with Korea,” including blood relations, according to Kim Sang-bae, 75, the Korean interpreter for Roh, and other South Korean officials. Given the sensitive nature of the emperor’s remarks to Roh, they were not disclosed to the public. It wasn’t until December 2001 that Akihito, at a news conference, referred publicly to kinship between the ancient imperial Japanese family and Paekche, a kingdom that thrived from the fourth to seventh centuries on the Korean Peninsula. Roh’s visit to Japan was the first by a South Korean president since Chun Doo-hwan arrived in September 1984. During Chun’s visit, Akihito’s father, Emperor Hirohito, posthumously known as Emperor Showa, said, “It is indeed regrettable that there was an unfortunate past between us for a period in this century, and I believe that it should not be repeated again.” The South Korean public expected Akihito to go further in his speech in front of Roh. The Roh administration also wanted to broaden South Korea’s diplomacy since the Cold War had ended and the country was moving toward democratization. “In relations with Japan as well, the administration wanted to make a fresh start,” a former senior South Korean government official said. According to Japanese government officials at that time, both countries considered various ideas for the emperor’s remarks, which would be the focus of the visit and widely reported by the media. The Japanese government came up with “tsuseki no nen,” which is translated into “deepest regret,” and discussed the wording with Korean staff members at the Japanese Embassy in Seoul. Japanese officials concluded the phrase would get through to the South Korean people. A week before Roh’s arrival, the Japanese side informed the Office of the President of South Korea about the wording
and asked how it would be received in the country. According to Kim, the entourage of President Roh was split. Some said the expression appeared devised by bureaucrats, adding that Koreans do not normally use the phrase. But the South Korean officials decided to accept the wording because it was a result of the “emperor’s utmost consideration.” In the speech at the banquet, Akihito said, “I think of the sufferings your people underwent during this unfortunate period, which was brought about by my country, and cannot but feel the deepest regret.” Roh highly appreciated the Japanese government’s handling of the issue because the emperor mentioned the imperial family’s “ties with Korea” in the private talks, Kim said. That remark was made to Roh just before the banquet ended, Kim said. The emperor continued on this theme after inviting Roh to a concert of gagaku, or ancient court music. On their way to the venue, Akihito told Roh, “There is a person in the genealogy of our family whose origin traces to Korea,” according to Kim, who said he was the only person with the pair. In his news conference in 2001, the emperor was asked about Japan’s co-hosting of the 2002 World Cup with South Korea. “I, on my part, feel a certain kinship with Korea, given the fact that it is recorded in Shoku Nihongi that the mother of Emperor Kanmu (737-806) was of the line of King Muryong of the Kingdom of Paekche,” he said. Shoku Nihongi is a historical record chronicling the period between 697 and 791. King Muryong (462-523) ruled the kingdom from 501 until his death. (Makino Yoshihiro, "Emperor Mentioned Blood Ties with Korea in 1990," Asahi Shimbun, August 26, 2010)

8/29/10 PM-designate Kim Tae-ho told a news conference he was withdrawing his name from consideration after National Assembly hearings heard accusations of corruption against him. (Ser Myo-ja, “Kim Gives up Prime Minster Nomination,” JoongAng Ilbo, August 29, 2010)

8/26-30/10 General Secretary Kim Jong Il paid an unofficial visit to the People’s Republic of China from August 26 to 30 at the invitation of Hu Jintao, general secretary of the Central Committee of the Communist Party of the People’s Republic of China. He was accompanied by Kim Yong Chun, vice-chairman of the NDC and minister of the People’s Armed forces of the DPRK, Kim Ki Nam, secretary of the C.C., the WPK, Thae Jong Su, department director of the C.C., the WPK, Kang Sok Ju, first vice-minister of Foreign Affairs, Jang Song Thaek, Hong Sok Hyong, Kim Yong Il and Kim Yang Gon who are department directors of the C.C., the WPK, Choe Ryong Hae, chief secretary of the North Hwanghae Provincial Committee of the WPK, Kim Phyong Hae, chief secretary of the North Phyongan Provincial Committee of the WPK, and Pak To Chun, chief secretary of the Jagang Provincial Committee of the WPK. The party and state leaders and people of China warmly welcomed Kim Jong Il, who visited China again, and accorded with utmost sincerity cordial hospitality to him. **Kim Jong Il had cordial meeting and talks with Hu Jintao in Changchun City on August 27.** Present there from the Chinese side were Ling Jihua, member of the Secretariat of the CPC Central Committee and director of the General Office of the CPC Central Committee, Dai Bingguo, state councilor, Wang Jiarui, head of the International Liaison Department of the CPC Central Committee, Yang Jiechi, minister of Foreign Affairs, Zhang Bing, minister in charge of the National Development and Reform Commission, Chen Deming, minister of Commerce, Liu Jieyi, deputy head of the International Liaison Department of the CPC
Central Committee, and Liu Hongcai, Chinese ambassador to the DPRK. Hu Jintao warmly welcomed Kim Jong Il’s China visit on behalf of the party, government and people of China and said that his visit to Jilin Province and Heilongjiang Province, where the historical roots of Sino-DPRK friendship were provided amid the common struggle against foreign aggressors, is of particular importance in boosting the traditional bilateral relations of friendship and cooperation onto a new higher stage. The China visit paid by Kim Jong Il four months after his last visit in May is a clear testimony proving what great importance he attaches to the traditional DPRK-China friendship provided by the leaders of the elder generation of the two countries, Hu said, highly appreciating the devoted service rendered by Kim Jong Il for the steady development of the bilateral friendship. Kim Jong Il said that he was very pleased to meet Hu Jintao four months after, expressing deep thanks to him for sparing his precious time to come to Changchun far away from the capital to kindly receive him and according cordial hospitality to him. … Stronger Sino-DPRK cooperation is favorable for stepping up socialist construction in the two countries and firmly defending and promoting common interests of the two sides and regional peace, stability and prosperity, Hu said. … The long-standing DPRK-China friendship will last long no matter how much water may flow under the bridge and how often a generation is replaced by another as it is the friendship that stood tempest and trials of history, Kim Jong Il said, reiterating the invariable will and determination of the party and government of the DPRK to boost the bilateral relations of friendship and cooperation. The northeastern region of China is an unforgettable area where President Kim Il Sung waged an arduous revolutionary struggle for over 20 years joining hands with the revolutionaries and people of China, drinking water in the region and breathing air there, Kim Jong Il said, adding that the President always remembered the mountains and fields of the northeastern region of China dear to him and the Chinese comrades who fought alongside him. Kim Jong Il said that he was deeply impressed to see the northeastern region of China developing and undergoing changes with each passing day during his visit, adding that this signal turn is a clear proof of the validity and vitality of the strategy set forth by the party and government of China to develop its northeastern region. … Both sides had frank and sincere exchange of views on international and regional issues of mutual concern, the situation in Northeast Asia, in particular, and reached a full consensus of views. (KCNA, “Kim Jong-il Pays Unofficial Visit to China,” August 30, 2010) President Hu Jintao told North Korean leader Kim Jong-il in strong terms to reform the North’s failed socialist economy and open up the country, a senior South Korean government official said September 1. He made the call during a meeting when Kim visited China last week, using rather more direct terms than Chinese Premier Wen Jiabao had used during Kim’s last visit in May, according to the official. Wen told Kim, “I’d like to introduce to you China’s experience in the reform and opening drive.” But the official quoted Hu as saying, “Socialist modernization is based on China’s three-decade-long experience in reform and opening. Although self-reliance is important, economic development is inseparable from external cooperation.” According to a Chinese official, Kim too directly used the terms “reform and opening” this time. He reportedly told Hu, “Since its launch of the reform and opening drive, China has achieved rapid development.” Up until recently, top Chinese leaders had regarded the terms as taboo words at bilateral summits for fear of upsetting North Korea’s delicate feelings, but Wen first
broke the taboo in May, and Hu in his advice to Kim even used language such as "enterprise," "market mechanism" and "external cooperation." A diplomatic source in Beijing said China’s insistence on talking about reform shows how concerned China is with the North’s mismanagement of the economy. (Chosun Ilbo, “Hu ‘Told Kim Jong-il It’s Time for Reform,’” September 2, 2010) According to Chinese-language international affairs newsweekly Yazhou Zhoukan, or "Asia Weekly," Kim Jong-un was present during his father's visit to China. His name, however, did not appear on the name list of the official delegation, as he was traveling together as "a member of Kim Jong-il’s family," the report explained. Last week, the Chinese foreign ministry declined to confirm the presence of Kim Jong-un during the trip, saying, "It is clearly stated on the name list released by the Chinese government." Kim Jong-un’s name was not on the list. [He’s not an official.] (Kim Young-gyo, “N. Korean Heir Apparent Visited China Last Month: Report,” Yonhap, September 9, 2010)

8/30/10

President Obama signs an executive order imposing new sanctions on North Korea.

Text: “I hereby order: Section 1. (a) All property and interests in property that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of any United States person, including any overseas branch, of the following persons are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in: (i) the persons listed in the Annex to this order; and (ii) any person determined by the Secretary of the Treasury, in consultation with the Secretary of State: (A) to have, directly or indirectly, imported, exported, or reexported to, into, or from North Korea any arms or related materiel; (B) to have, directly or indirectly, provided training, advice, or other services or assistance, or engaged in financial transactions, related to the manufacture, maintenance, or use of any arms or related materiel to be imported, exported, or reexported to, into, or from North Korea, or following their importation, exportation, or reexportation to, into, or from North Korea; (C) to have, directly or indirectly, imported, exported, or reexported luxury goods to or into North Korea; (D) to have, directly or indirectly, engaged in money laundering, the counterfeiting of goods or currency, bulk cash smuggling, narcotics trafficking, or other illicit economic activity that involves or supports the Government of North Korea or any senior official thereof; (E) to have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, the activities described in subsections (a)(ii)(A)-(D) of this section or any person whose property and interests in property are blocked pursuant to this order; (F) to be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to this order; or (G) to have attempted to engage in any of the activities described in subsections (a)(ii)(A)-(F) of this section. (b) I hereby determine that, to the extent section 203(b)(2) of IEEPA (50 U.S.C. 1702(b)(2)) may apply, the making of donations of the types of articles specified in such section by, to, or for the benefit of any person whose property and interests in property are blocked pursuant to this order would seriously impair my ability to deal with the national emergency declared in Executive Order 13466 and expanded in scope in this order, and I hereby prohibit such donations as provided by subsection (a) of this section. (c) The prohibitions in subsection (a) of this section include, but are not limited
to: (i) the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any person whose property and interests in property are blocked pursuant to this order; and (ii) the receipt of any contribution or provision of funds, goods, or services from any such person. (d) The prohibitions in subsection (a) of this section apply except to the extent provided by statutes, or in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date of this order. Sec. 2. (a) Any transaction by a United States person or within the United States that evades or avoids, has the purpose of evading or avoiding, causes a violation of, or attempts to violate any of the prohibitions set forth in this order is prohibited. (b) Any conspiracy formed to violate any of the prohibitions set forth in this order is prohibited. Sec. 3. The provisions of Executive Order 13466 remain in effect, and this order does not affect any action taken pursuant to that order. …Sec. 5. For those persons whose property and interests in property are blocked pursuant to this order who might have a constitutional presence in the United States, I find that because of the ability to transfer funds or other assets instantaneously, prior notice to such persons of measures to be taken pursuant to this order would render these measures ineffectual. I therefore determine that for these measures to be effective in addressing the national emergency declared in Executive Order 13466 and expanded in scope in this order, there need be no prior notice of a listing or determination made pursuant to section 1(a) of this order. Sec. 6. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA and the UNPA, as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government consistent with applicable law. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order. Sec. 7. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to determine that circumstances no longer warrant the blocking of the property and interests in property of a person listed in the Annex to this order, and to take necessary action to give effect to that determination.” (Text of Executive Order, August 30, 2010)

8/31/10 Japan rejected North Korea’s apparent interest in a quick resumption of six-party talks on Pyonyang’s nuclear program, saying Tuesday that the time was not right for fresh discussions. In a meeting today with China’s nuclear envoy, Wu Dawei, FM Okada Katsuya said conditions for talks were not right considering the increased tensions in the region over the deadly sinking of a South Korean warship in March that an international team of investigators has blamed on Pyongyang. “As South Korea is dealing with the sinking of its warship, it is still too early to resume the six-party talks,” Okada was quoted as telling Wu, according to a statement from the ministry. (Associated Press, “Japan Says Too Early for Six-Party Talks,” August 31, 2010)

A North Korean arms chief and Pyongyang’s former ambassador to the United Nation’s nuclear agency have emerged as key figures in an intensifying international effort to curb North Korea’s weapons-trading activities. The global dealings of the two men, Chun Byung-ho and Yun Ho-jin, whom North Korea analysts believe to be related
through marriage, date back to the 1980s. They have played leading roles in North Korea’s development and testing of atomic weapons, according to current and former U.S. officials, Asian intelligence analysts and U.N. nonproliferation staffers. More troubling to officials, Chun and Yun also oversee Pyongyang’s vast arms-trading network, which appears to be spreading. They have shipped components for long-range missiles, nuclear reactors and conventional arms to countries including Iran, Syria and Myanmar. The Second Economic Committee oversees a little-known foreign trade office with the Orwellian name of Office 99. The proceeds from the Office’s arms sales go directly to North Korean dictator Kim Jong Il and Pyongyang’s senior leadership, according to these officials and recent North Korean defectors. “It is broadly believed that the Second Economic Committee...plays the largest and most prominent role in nuclear, other WMD and missile-related development programs, as well as arranging and conducting arms-related exports” for North Korea, says a report issued in May by the U.N. committee tasked with enforcing international sanctions on Pyongyang. Yun Ho-Jin appeared in video footage of then-IAEA Director-General Hans Blix’s 1992 visit to North Korean nuclear sites. Yun walks alongside Blix at the start of the video. “There is no reason to assume that Chun and Yun won’t sell nuclear weapons,” says David Asher, a former Bush administration official who has tracked Pyongyang’s arms trade for a decade. “There needs to be an active effort to disrupt their WMD networks and drive them out of business now, before it’s too late.” The two men have established a network of front companies in Asia, Europe and the Middle East and have partnered with Southeast Asian, Japanese and Taiwanese criminal syndicates to move cash and contraband, say U.S. officials. And Mr. Yun has used the political cover provided by Pyongyang’s closest ally, China, to openly conduct business in cities such as Beijing and Shenyang, drawing official rebukes from Washington. Chun, now 84 years old, and his Second Economic Committee emerged as major global arms exporters in the 1980s, as North Korea shipped as much as $3 billion worth of rockets, pistols and submarines to Tehran during the eight-year Iran-Iraq war, say recent defectors and North Korea analysts. One senior North Korean defector who worked in Pyongyang’s munitions industries says he was dispatched to Iran by the Second Economic Committee in 1987 with the task of constructing missile batteries on the Iranian island of Kish to help Tehran better control the movement of ships through the Straits of Hormuz. His main interlocutor was Iran’s elite military unit, the Islamic Revolutionary Guard Corps. The former hydro-mechanic says camaraderie developed between his 100-man team and the Guard, despite their different backgrounds. Chun’s control over the Second Economic Committee was tied to his close relationship with Pyongyang’s ruling Kim family, say defectors and North Korea experts. The Russian-trained bureaucrat served as a member of North Korean founder Kim Il Sung’s bodyguard unit. He rose up the ranks of the Korean Workers’ Party with the political support of Kim Jong Il, eventually securing a position on Pyongyang’s most powerful political body, the National Defense Commission. North Korea’s high-level defector, Hwang Jang-yop, has identified Chun as the broker of a key barter trade in the 1990s with Pakistan that significantly advanced Pyongyang’s nuclear infrastructure. As Chun pushed forward North Korea’s nuclear program from Pyongyang, Yun, believed to be the husband of Chun’s second daughter, emerged as a key player in procuring technologies for the Second Economic Committee from Europe, according to U.S., U.N. and European officials. Yun, 66, arrived in Vienna in
1985 as Pyongyang’s ambassador to the International Atomic Energy Agency. The English and German speaker led negotiations with the U.N. agency aimed at forging a nuclear-inspection agreement with North Korea, and he helped oversee a 1992 tour of his nation’s Yongbyon nuclear facility for Hans Blix, the IAEA’s then-managing director. “Yun was dedicated to turning things around. I truly believe that,” says Willi Theis, who worked closely with Mr. Yun as the head of the IAEA’s safeguards unit overseeing North Korea. He is now retired. Still, Theis and other North Korea experts believe that it is only through dialogue that the West will be able to curb the North’s proliferation threat. Theis says he is recently lobbied the IAEA to allow him to return to Pyongyang to hold meetings with Yun. So far, he says, the IAEA hasn’t agreed. (Jay Solomon, “North Korea Pair Viewed as Key to Secret Arms Trade,” Wall Street Journal, August 31, 2010, p. A-1)

Donald Gregg op-ed: “Former President Jimmy Carter deserves great credit for traveling to Pyongyang and securing the release of a U.S. citizen, Aijalon Mahli Gomes, who had been sentenced to eight years in prison for illegally entering North Korea. The Obama administration had gone out of its way to assert that Mr. Carter was on this mission as a private citizen and that he carried no message from the White House. The North Koreans also made clear to Mr. Carter before his departure that he would not be able to meet the North Korean leader, Kim Jong-il. In fact, Mr. Kim left for China shortly after Mr. Carter’s arrival. Still, the Carter visit may help the White House to soften the hostility of its stance toward Pyongyang, especially since the sinking of a South Korea naval ship last March. Given the difficult agenda he inherited when he came into office, President Barack Obama did not give high priority to dealing with North Korea, whose leaders were seen as obscure and irascible. For example, a suggestion last year that the White House invite Kim Jong-un, Kim Jong-il’s youngest son and probable successor, to the United States was not seriously considered. Instead, President Obama formed a strong relationship with South Korean President Lee Myung-bak, whom he saw as the dynamic leader of a strong American ally, and was content to let Seoul set the pace in terms of dealing with Pyongyang. Mr. Lee’s policies toward North Korea were considerably tougher than those of his two predecessors, Kim Dae-jung and Roh Moo-hyun, both of whom met with Kim Jong-il. Mr. Lee, by contrast, cut economic aid to the North and increased pressure for political concessions from Pyongyang. Still, a year ago, it seemed possible that relations between Seoul and Pyongyang might improve. A North Korean delegation to the August 2009 funeral of former President Kim Dae-jung, champion of the ‘sunshine policy’ of engagement with North Korea, was warmly received by President Lee. Later in 2009, North Korea proposed a North-South summit meeting and also invited Kim Dae-jung’s widow to visit Pyongyang. But while these conciliatory gestures by North Korea were still under consideration, on March 26 the South Korean Navy frigate Cheonan exploded and sank under mysterious circumstances in the Yellow Sea just off the coast of the Korean Peninsula, where North and South Korean naval vessels have often clashed. A South Korean investigation concluded that the ship was sunk by a torpedo fired by a North Korean submarine. The United States concurred, and the sinking of the Cheonan came to be viewed in the United States as proof of North Korean infamy. The United States imposed additional sanctions on the North and joined South Korea in staging military exercises of an unprecedented scope on sea and land. One of South Korea’s leading diplomats put it to me this way: “The Lee government has burned all its bridges with
North Korea, and has been undertaking hard-line policies with no exit strategy. The current North-South relationship resembles a classic game of chicken.” One problem, however, is that not everybody agrees that the Cheonan was sunk by North Korea. Pyongyang has consistently denied responsibility, and both China and Russia opposed a U.N. Security Council resolution laying blame on North Korea. In June, Russia sent a team of naval experts to look over the evidence upon which the South Korea based its accusations. Though the Russian report has not been made public, detailed reports in South Korean newspapers said the Russians concluded that the ship’s sinking was more likely due to a mine than to a torpedo. They also concluded that the ship had run aground prior to the explosion and apparently had become entangled in a fishnet, which could have dredged up a mine that then blew the ship up. South Korea has not officially referred to the Russian conclusions. When I asked a well-placed Russian friend why the report has not been made public, he replied, “Because it would do much political damage to President Lee Myung-bak and would embarrass President Obama.” Recent statements by senior U.S. officials in Washington have continued to blame the Kims for the sinking of the Cheonan; it was purportedly done to prove the toughness of the ruling family as it prepares for another transition. But whatever the impact of military maneuvers, economic sanctions and verbal attacks might be, those in Washington and Seoul who are hoping for a collapse of the Kim regime are doomed to disappointment. China will not let that happen. China might not be happy with a nuclear-armed North Korea, but it is far more worried by instability on the Korean Peninsula. Putting further pressure on Pyongyang also only strengthens its dependence on China. The increasing frequency of Kim Jong-il’s trips to China, and the quality of the reception he receives, are clear indications of this trend. American pressures are also likely to instill a mistrust and hostility toward the United States in the mind of Kim Jong-un, who is in his mid-20s and about whom little is known. The disputed interpretations of the sinking of the Cheonan remain central to any effort to reverse course and to get on track toward dealing effectively with North Korea on critical issues such as the denuclearization of the Korean Peninsula. Details of the South Korean investigation of the Cheonan tragedy have not been made public, and undercurrents of opposition to its conclusions are growing stronger in Seoul. We do not know yet whether Mr. Carter discussed the Cheonan issue while he was in Pyongyang. We do know that the former U.S. president is respected in North Korea for having had a friendly and useful conversation with Kim Il-sung, the first North Korean ruler, in 1994. Thus it is likely that he did hear from North Korean leaders their version of what happened. In my own meetings with North Korean officials over the years, I know them to be frank and articulate in expressing their government’s positions. Thus I believe that Mr. Carter, known for his independence and his willingness to enter into controversy, may well have come back with more than Mr. Gomes. The insights he will have picked up from his talks with top leaders other than Kim Jong-il should coincide with an emerging realization within the Obama administration that its current stance toward the North, featuring sanctions and hostility, is having little positive impact, and that a return to some form of dialogue with Pyongyang needs to be considered. Stephen Bosworth, a former ambassador to Seoul and now the U.S. special envoy for North Korean issues, has long favored more dialogue with Pyongyang. There also is a growing realization in Washington that alienating China is an inordinately high price to pay for putting pressure on Pyongyang. So the White House, in choosing to send Mr.
Carter at this time, may deserve credit for seeking to change a hostile stance toward North Korea into a more effective policy.” (Donald Gregg, “Testing North Korean Waters,” International Herald-Tribune, August 31, 2010)

Pyongyang has sent a set of conciliatory messages to Washington by releasing an American imprisoned for illegally entering its territory and stating its willingness to talk again. But it appeared that North Korea’s effort was in vain. The United States sent back a clear message in response that show us action, not words, as it released a list of sanctions targeting North Korea. In response to Kim’s willingness to talk, the U.S. State Department urged the North to follow “specific steps” that were laid out under previous agreements. “There are agreements that North Korea has previously signed that outline precisely what it is expected to do in terms of beginning the process of denuclearization and I have to enumerate them here,” said Philip Crowley, spokesman of the department. “There are specific things that North Korea has committed in the past to do and has occasionally taken a step forward, two steps back. We want to see a more consistent effort that shows North Korea’s commitment to denuclearization.” In a separate move, the U.S. Treasury Department slapped sanctions on a group of North Korean entities -- four people and eight organizations accused of having been involved in illicit financial transactions. Kenneth Quinones, dean for Research Evaluation and a professor of Korean Studies at Akita International University in Japan, interpreted the U.S. move as a sign clearly showing that engagement with North Korea was not an option that it was considering at least now. “(The Obama administration) wants North Korea to change its behavior first, and only then will the administration begin cautious dialogue,” Quinones told The Korea Times. “This is consistent with what I learned when I met State Department officials in Washington in mid-August.” (Kang Hyun-kyung, “U.S. Snubs N. Korea’s Overture,” Korea Times, August 31, 2010)

China has emerged as the driving force pushing to restart the talks, which it sees as the best way to maintain security and status quo on the Korean Peninsula, according to officials in Washington, Seoul and Tokyo. China has proposed a three-step process that calls first for bilateral talks between North Korea and the United States, perhaps in Beijing, Pyongyang or New York. That would be followed by a meeting of nuclear delegation leaders representing the six participating nations: Russia, Japan, South Korea, the United States, China and North Korea. Last, barring provocations from Pyongyang, the six countries would resume full-fledged talks for the first time since 2008. But even as the Obama administration seeks palatable alternatives to its pressure-and-punishment stance toward North Korea, the six-party process seems, at best, months away. Today, China’s nuclear representative, Wu Dawei, will discuss the possibility of talks with deputy secretary of state James Steinberg, assistant secretary Kurt Campbell, North Korea envoy Stephen Bosworth and six-party talks ambassador Sung Kim. Analysts foresee a scenario where Bosworth soon travels to Beijing, Seoul or Tokyo to push the process farther along. “We want to see North Korea take irreversible steps to fulfill its denuclearization commitments,” State Department spokesman P.J. Crowley said. “If we see evidence that North Korea is prepared to move in that direction, then we are open to further engagement.” With the United States having announced new sanctions against North Korea on Monday, many analysts and officials now envision a period of strategic patience, in which the United States consults closely with South Korea and possibly explores a new framework for dealing with the North -
an alternative to six-party talks. China attempted to build momentum for talks this week, as Kim traveled by armored train through its northeastern countryside. Analysts and North Korea watchers say Kim’s trip had several purposes, both pragmatic and symbolic. He sought economic aid from China, his country’s chief benefactor. He wanted to build support for an upcoming power transfer to his son. Just as important, in visiting two Chinese landmarks associated with his father, he wanted to reinforce the Kim family narrative, the sacrosanct underpinning of his reclusive nation. But after Kim’s return to Pyongyang, China emphasized North Korea’s readiness for six-party talks. The official Xinhua News Agency said that Kim, who met with Chinese President Hu Jintao, sought an “early resumption” of the talks as a way to ease tensions. He also said, according to New China, that North Korea’s stance toward denuclearization remained unchanged. Notable to U.S. officials, however, was the rhetoric coming from North Korea: The state-run Korean Central News Agency made note of Kim’s trip but did not mention six-party talks or disarmament. “It’s just stretching incredulity to think that six-party talks are some panacea where the region’s problems disappear,” said Patrick Cronin, senior director at the Asia-Pacific Security Program at the Center for a New American Security. “This is the same Kim Jong Il who said, months ago, that six-party talks are dead. And now what are we to believe? That Kim Jong Il is very serious this time?” Among North Korean experts, South Korea is viewed as the six-party nation most reluctant about reengagement. South Korea’s foreign minister, Yu Myung-hwan, said last week that the North needs to disable its nuclear facilities and permit international inspections before any engagement. According to the Yonhap News Agency, citing an unidentified Foreign Ministry official, South Korea has backed away from its demand that an apology is also necessary. And Tuesday, South Korea’s Red Cross pledged $8.4 million worth of aid to the North Korea to help it recover from recent flooding. Japan could also be a hard sell. On Tuesday, China’s Wu met with Japan’s foreign minister, Okada Katsuya in Tokyo. But Okada, according to Japanese media reports, told Wu that talks should not begin until North Korea abandons its nuclear program. In Washington, according to numerous sources familiar with internal discussions, many senior U.S. officials see growing reason for some form of engagement with North Korea. “I think the administration’s feeling right now is, they’re not comfortable with having zero contact with the regime,” said Michael Green, a former Asia specialist at the National Security Council. (Chico Harlan, “China Pushes Six-Party Talks, But Others Remain Skeptical,” Washington Post, September 1, 2010, p. A-9)
nuclear tests, including missile firings, we want to see a fundamental change in North Korea’s behavior.” (Chosun Ilbo, “U.S. Sets Conditions on Fresh Nuclear Talks,” September 3, 2010)

9/2/10  The Chinese Navy’s North Sea Fleet on Wednesday started a live-fire drill in waters southeast of Qingdao, Xinhua reported. The drill will come to an end on Saturday, one day before a South Korea-U.S. naval exercise starts in the West Sea. Quoting the press office of the Chinese Defense Ministry, Xinhua said the drill “is an annual exercise staged in the maritime drill zone southeast of Qingdao under a military program. A highlight is bombardment by naval guns.” (Chosun Ilbo, “China Starts Live-Fire Exercise in the West Sea” September 2, 2010)

9/4/10  Foreign Minister Yu Myung-hwan offered his resignation over the ministry’s controversial hiring of his daughter, his office said, a day after he offered a public apology amid mounting criticism over allegations of nepotism. "Minister Yu has decided to voluntarily step down as he felt sorry to the people about the trouble the hiring of his daughter has caused," ministry spokesman Kim Young-sun told reporters. (Chang Jae-soon and Yoo Jee-ho, “Foreign Minister Yu Offers Resignation: Ministry,” Yonhap, September 4, 2010) The government confirmed September 6 that nepotism allegations that forced the resignation of Foreign Minister Yu Myung-hwan, the longest-serving cabinet member in the Lee Myung-bak administration, were true. The Ministry of Public Administration and Security announced the result of an investigation into the scandal and said, “The Foreign Ministry knew Yu’s daughter would apply for a special recruitment exam in advance and violated the related laws to hire her.” According to the Public Administration Ministry, Yu Hyun-sun, 35, was given an almost perfect score during a final job interview at the ministry by two judges, both officials of the Ministry of Foreign Affairs and Trade, including senior personnel manager Han Chung-hi, last month. But the Public Administration Ministry said that three other judges, all outsiders, gave her scores lower than another applicant. The special recruitment was open to experts in free trade agreements. Six people applied for the mid-level, fifth-grade position and Yu was chosen over the other five on Aug. 31. The Public Administration Ministry said Han and the second ministry official stressed Yu’s work experience during a meeting among the judges and persuaded them to give her more points than they initially planned. Yu Hyun-sun worked for around two years as a contract worker at the Foreign Ministry from June 2006. The process of selecting judges was also unusual. Usually, the head of a department that needs a new employee selects judges. In Yu’s application, Han selected the judges and was one himself. The Foreign Ministry also manipulated the job requirements to tailor them to Yu’s qualifications. The vacancy was for an expert in international legal disputes on FTA issues, but the ministry excluded a law degree as a mandatory requirement and added a clause saying it wanted “a person with a master’s degree and at least two years of experience in the relevant fields.” The ministry did not accept TOEFL test results, unlike in previous recruitments, and only accepted the TEPS test, which may have disadvantaged other applicants. Yu Hyun-sun has a master’s degree and a TEPS test result. (Moon Gwang-lip, “Criteria Changed to Ensure Outgoing Minister Yu’s Daughter Got the Job,” JoongAng Ilbo, September 7, 2010)

North Korea has requested rice, cement and heavy machinery from South Korea to help recover from its recent floods, government officials here said, amid looming signs
that the divided states are seeking to alleviate their tension. The request, made on September 4, was made public by South Korea three days later. On Tuesday, North Korea carried out its earlier promise to release the seven crew members of a South Korean fishing boat that its Navy had seized nearly a month ago for trespassing into its eastern exclusive economic zone. South Korea has twice informed North Korea that its Red Cross, Seoul’s main channel for humanitarian cooperation with Pyongyang, is willing to help the North recover from floods that submerged houses, farmland and buildings last month. In response to the Aug. 31 message that contained an offer of 10 billion won (US$8.5 million), the North’s Red Cross said it hopes to receive rice, cement and excavators rather than the initially proposed emergency food, basic necessities and medical aid, Chun Hae-sung, spokesman for the Unification Ministry, told reporters. (Sam Kim, “N. Korea Requests Rice, Cement, Equipment from S. Korea,” Yonhap, September 7, 2010)

9/5/10 South Korea and the United States will hold joint anti-submarine exercises in another show of force against North Korea, officials said, as Pyongyang renewed threats against the drills. The exercises will be the second in a series of joint maneuvers the allies planned to conduct in response to the deadly sinking of a South Korean warship in March that they blame on the North. The drills, set to run from September 5 through 9 off the Korean peninsula’s west coast, will involve about 17,000 U.S. and South Korean troops, seven ships and two submarines. (Kwang-tae Kim, “U.S., S. Korea to Hold Further Naval Joint Drills,” Associated Press, September 3, 2010)

9/6/10 North Korea said it will release the South Korean fishing boat and its seven crew members captured nearly a month ago off the east coast for violating the communist state’s exclusive economic zone (EEZ). KCNA said the decision to release the 55 Daesung has been made “from the compatriotic and humanitarian points of view.” Referring to the four South Korean and three Chinese crew members, KCNA said the fishermen admitted to having trespassed in the EEZ in the East Sea, calling it “an intolerable infringement upon the sovereignty” of North Korea. “But it was decided to send the boat and its crew back to South Korea from the compatriotic and humanitarian points of view, taking into consideration the fact that they admitted the seriousness of their act” and promised they would not “repeat such act,” KCNA said. The squid fishing boat disappeared August 8 while operating in the East Sea. The South has repeatedly urged the North to release it, sending messages in the name of the Red Cross, which is Seoul’s main channel on humanitarian issues involving North Korea. (Sam Kim, “N. Korea to Free Fishermen on Captured S. Korean Boat,” Yonhap, September 6, 2010)

9/610 A tense maritime incident today in which two Japanese patrol vessels and a Chinese fishing boat collided near a disputed island chain triggered a diplomatic spat between the Asian giants. China expressed its “great concern” over the series of two collisions in the East China Sea, while Japan summoned a Chinese diplomat to protest the incident, in which no-one was reported injured and no vessels sank. Chinese vice foreign minister Song Tao later summoned Japanese ambassador to China, Uichiro Niwa, and lodged “solemn representations,” Xinhua said. The uninhabited islands -- known as Senkaku in Japan and Diaoyu in China -- lie between Japan’s Okinawa and Taiwan. They are claimed by Tokyo, Beijing and Taipei and are frequently the focus of regional
tensions. Japan’s Ozawa Ichiro, who is vying to oust PM Kan Naoto in a party leadership race this month to lead the nation, said September 4 that Tokyo must strongly fend off Beijing’s claim to the disputed islets. The incident started when Japan’s 1,349-ton patrol boat the Yonakuni ordered the Chinese trawler to cease fishing in the disputed waters, Kyodo reported, citing the Japanese Coast Guard. The Chinese boat’s bow then hit the Yonakuni’s stern and also collided with another Japanese patrol boat, the Mizuki, some 40 minutes later, Kyodo reported citing the coast guard. Three Japanese patrol boats then chased the Chinese vessel and 22 Japanese personnel boarded the ship to question the Chinese crew on suspicion of violating the fisheries law, Kyodo reported. The Japan coast guard later arrested the captain of the Chinese ship on suspicion of obstructing public duties, Kyodo said, quoting a senior government official. Chinese foreign ministry spokeswoman Jiang Yu had earlier told a regular news briefing that “China expresses great concern over this incident.” Beijing had stressed to Tokyo that the islands have been part of Chinese territory since ancient times, she said. China has urged Japan to stop the “so-called law enforcement activities in the adjacent borders” and not do anything that might “jeopardise the safety of Chinese fishing boats and Chinese people.” “We will keep a close eye on developments and reserve the right to make a further response,” Jiang added. Japan’s foreign ministry said it had “summoned a minister-counsellor at the Chinese embassy in Tokyo and lodged a protest over the incident.” “We stated that the incident resulted from illegal fishing on China’s part,” the ministry said. “We asked the Chinese government help prevent a recurrence of the incident and give thorough instructions to Chinese fishing boats.” (AFP, “High-Seas Collisions Trigger Japan-China Spat,” September 7, 2010) A Japan Coast Guard officer has confessed to leaking the video footage that was posted on the video-sharing website YouTube of the collisions between Japanese patrol boats and a Chinese trawler near the Senkaku Islands, investigative sources said. Investigators at the Metropolitan Police Department and the Tokyo District Public Prosecutor’s Office are questioning and plan to arrest the officer, who is from the 5th Regional Coast Guard Headquarters in Kobe and is a crew member of the patrol ship Uranami, the sources said. (Kyodo, “Coast Guard Officer Confesses to Leaking Videos,” Japan Times, November 10, 2010)

Signs of a thaw in frozen inter-Korean relations emerged today as President Lee Myung-bak unveiled his intention to “properly” manage ties with North Korea, after Pyongyang released seven fishermen after weeks of captivity and made a rare request for aid. “Inter-Korean relations should become healthy,” President Lee told a meeting with the ruling Grand National Party leadership. “I am trying to manage the ties properly, and the South Korean Red Cross’ plan to provide humanitarian aid is also a step forward.” The president said he is aware of the South Korean public’s concern about inter-Korean issues, adding, “I am trying to work on it appropriately.” Lee’s remarks came as South Korea was reviewing the North’s request for flood relief aid. The South’s offer of flood aid, which did not include rice, was made on August 31. The North replied September 4 asking for different items. Blue House spokeswoman Kim Hee-jung warned against interpreting Lee’s latest remarks as a change in the administration’s North Korea policy. “It should not be interpreted as a sudden change,” she said. “The president’s remarks should be understood as an intention to continue humanitarian aid provisions through the Red Cross.” “Even when the president issued
a stern warning toward the North after the Cheonan’s sinking,” Kim said, “he said the South will continue providing assistance for infants and children in the North.” A senior Blue House official, however, spoke more positively about the situation. “It is the first time that North Korea made a request for help from the South,” he said. “It is positive that the North made such a request. That is a change. In the past, we made offers and the North just accepted them.” Another Blue House official said it will take time for the Lee administration to decide whether it will grant the North’s request of aid or not. “The announcement won't likely be made this week,” he said. The official also echoed Lee’s remark about his awareness of public concern about the North Korea issue. “Some believe the South must maintain its post-Cheonan attitude, while others want to see inter-Korean tensions eased,” he said. “We are not talking about a sudden change. The president means to find a long-term plan to reduce tensions.”

(Ser Myo-ja and Christine Kim, “Lee Says Ties with North Should Be Made ‘Healthy,’” JoongAng Ilbo, September 8, 2010)

KCNA: “It is meaningless to talk about non-proliferation without nuclear disarmament in ensuring the world peace and security, said a delegate of the DPRK, addressing the plenary meeting of the Geneva Disarmament Conference on August 31. He stressed that the role of the disarmament conference, the only multilateral disarmament negotiating forum, is very important for realizing nuclear disarmament. Clarifying the views of the DPRK delegation for the success of the conference, he said: Consistent is the stand of the DPRK government to build a solid peace-keeping regime and materialize the denuclearization of the Korean Peninsula. In order to bring the process for the denuclearization of the peninsula which suffered repeated frustrations and failures back on its orbit it is necessary to build confidence between the DPRK and the U.S., the main parties to the negotiations for the settlement of the nuclear issue. Confidence-building between the DPRK and the U.S. is the most urgent and it is the key to settling the issue. If confidence is to be built between the DPRK and the U.S. it is necessary to conclude, to begin with, a peace treaty for putting an end to the state of war, the source of their hostile relationship. The conclusion of a peace treaty provides the only reasonable way for realizing the denuclearization of the peninsula. Abnormal developments including various military exercises taking place in the peninsula and its vicinity prove the urgent necessity to conclude a peace treaty. Had a solid peace-keeping regime been built already in the peninsula, the nuclear issue would not have cropped up nor would have the issue of denuuclearization been raised. The conclusion of a peace treaty would help put an end to the hostile relations between the DPRK and the U.S. and rapidly push forward the denuclearization of the peninsula.” (KCNA, “Confidence-Building between U.S. and DPRK Called for,” September 7, 2010)

The top U.S. commander here indicated that South Korea and the U.S. conducted a joint stabilization drill in preparation for a “sudden change” in North Korea during the allies’ annual military exercise last month. “We train for the full spectrum of operations for all of our troops, both the Republic of Korea and the U.S., during our major exercises, and stabilization and stability are key components,” U.S. Forces Korea Commander Gen. Walter Sharp said in a meeting with reporters in the Yongsan garrison in Seoul. “One of the lessons is that you can be fighting and attacking one
area, and in another area, the main mission is to stabilize and protect the population in that area (North Korea),” the commander said. “So, we are designing our exercises to make sure that both the ROK and U.S. forces are not only able to defend, not only able to attack and kill, but also able to provide humanitarian assistance for the security and stability of the people.” (Song Sang-ho, “Drill Held to Prepare for Sudden Change in N.K.,” Korea Herald, September 9, 2010)

9/10/10 President Lee Myung-bak and Russian President Dmitry Medvedev discussed bilateral economic cooperation and recent developments in Northeast Asia during their summit talks Friday in Yaroslavl. Lee told the state-run Russia 24 TV in an hour-long special program that South Korea could build a second factory park in North Korea if Pyongyang takes forward-looking action on the joint venture in Kaesong. “If North Korea takes measures to make it more convenient to do business in the Gaeseong industrial complex and to relieve investors’ concerns, we believe we could build a second factory park (in North Korea),” Lee said. “It is entirely up to the North.” South and North Korean officials believe the Kaesong park is the last remaining channel for inter-Korean cooperation, said Lee who is on a two-day visit to Russia. “That is why the South Korean government wants to maintain and develop it, and so does North Korea.” Regarding the timing for normalization of inter-Korean relations, President Lee said “it could come soon or it could take time.” “We want the inter-Korean ties to normalize, and in this respect, the international community has shown great interest and cooperation. I believe North Korea should apologize for the Cheonan incident and return to normal relations.” In response to a question whether he could meet Kim Jong-un as his counterpart should he succeed his father Kim Jong-il as the North Korean leader, Lee said: “His nomination as the successor doesn’t mean he is (my) counterpart,” Lee said. “I could meet him when I meet with chairman Kim Jong-il of the National Defense Commission if he sits next to his father.” Kim Jong-il named his youngest son Jong-un as his successor and reportedly took him to China last month in what was believed to be standard procedure before officially putting the junior Kim in key government posts. “It would be a third generational succession, but we cannot comment on whether (Jong-un) would take over or not as it is up to North Korea,” Lee said. Lee also said he didn’t believe unification will come upon the collapse of the North Korean regime. “I don’t think North Korea will collapse one day and unify with the South,” he said. “(The South) will first establish peaceful relations with the North, and then seek a peaceful unification together.” Lee added that he proposed the unification tax, which should be levied after much debate, to prepare for a peaceful unification. The president said he expects North Korea to “agree soon” on linking the railroad networks of Russia and South Korea through North Korea. (Kim So-hyun, “Lee Hints at Second Factory Park in N.K.,” Korea Herald, September 10, 2010)

Lee unusually talked about his view on the North’s purported next leader, Jong-un. He made clear that he would not define the junior Kim as his counterpart even if he is formally designated as the heir to the communist regime. “(Jong-un) does not become my counterpart (automatically) although he is appointed as next leader,” Lee said. It is the first time that the South Korean president has publicly commented on Jong-un. (Lee Chi-dong, “Lee Says S. Korea Wants 2nd Inter-Korean Industrial Park,” Yonhap, September 10, 2010)
The United States sees no possibility of progress with North Korea until there is some reconciliation between the North and South. Assistant Secretary of State Kurt Campbell said, "It would be fair to say that we are in the process of deep consultation not just with our allies but also with others in the surrounding region about next steps associated with North Korea," said Campbell. Special Representative for North Korea Policy Stephen Bosworth and Special Envoy for the Six-Party Talks Sung Kim are heading to Seoul, Tokyo and Beijing next week to discuss on North Korea. Campbell said, "We believe it would be critical for there to be some element of reconciliation between the North and South for any process to move forward, we’ve communicated that very clearly to all parties involved." (Daniel Rynjtjes, "No Progress with N. Korea until Two Koreas Reconcile: U.S.," Channel News Asia, September 10, 2010)

South Korean President Lee Myung-bak and Russian Prime Minister Vladimir Putin agreed that improving inter-Korean relations is crucial not only to regional stability but also to major joint economic projects between Seoul and Moscow, Lee’s office, Cheong Wa Dae, said. "I hope that South-North Korean relations will be normalized," Putin said during a meeting with Lee according to senior Cheong Wa Dae secretary for public affairs, Hong Sang-pyo. Lee arrived in Moscow earlier today on a two-day trip that will also include a meeting with President Dmitry Medvedev scheduled for tomorrow. In their meeting, Lee and Putin agreed that the proposed projects to link the Russian and Korean rail networks and bring Russia’s gas to South Korea via a pipeline would be economically nonviable without North Korea’s cooperation, Hong said at a press briefing. South Korea plans to import 7.5 million tons of gas from Russia annually starting in 2015. Hong said the Lee-Putin talks, which lasted about an hour, focused on ways to boost economic cooperation between the two countries. Putin oversees Moscow’s energy and economy-related affairs, while President y Medvedev deals largely with security and diplomatic affairs. Lee asked Russia to ease visa regulations for South Korean workers, to which Putin responded positively, Hong said. Putin also said he plans to attend a ceremony to mark the opening of Hyundai Motor’s assembly plant in St. Petersburg, slated for Sept. 21, he added. (Lee Chi-dong, "Lee, Putin Stress Importance of Inter-Korean Reconciliation," Yonhap, September 10, 2010)

South Korea is positively considering North Korea’s proposal to resume reunions of families living separately on the divided Korean Peninsula amid signs of a turnaround in the frozen cross-border relationship, a unification ministry official here said. "We received a message from the North Korean Red Cross Society yesterday, proposing reunions of separated families on the peninsula," the official said, confirming a North Korean media report on the proposal. "The South’s Korean National Red Cross is positively reviewing this and will come up with measures through consultations with the government down the road," the official said, asking not to be named due to the sensitivity of the issue. "Nothing has been decided yet," he added. KCNA reported that the country’s Red Cross sent a message to the South on Friday encouraging a fresh round of family reunions to be held at the resort mountain of Geumgang on the east coast around the Korean fall harvest holiday, Chuseok, September 22. The North also proposed that working-level Red Cross officials of the two sides meet “at an earliest possible date” to discuss the resumption, according to the KCNA. (Yonhap, “S. Korea Positive about N.K. Proposal for Family Reunions: Gov’t Official,” September 11, 2010)
A reunion of families divided by the inter-Korean border will likely occur next week after Seoul accepted a Pyongyang initiative. In a counterproposal, Seoul is suggesting regularizing family reunions. The humanitarian event is expected to help defuse inter-Korean tensions, but some suspect the North is trying to get more economic aid from the South. A high-ranking official said yesterday that the government decided to accept the proposal by Pyongyang to hold a reunion of separated families during the upcoming Chuseok holidays. The official said the government will send an official letter agreeing to the proposal this week via the Red Crosses of the two Koreas. “If we assume that 1,000 [South Korean] people annually meet their separated families through reunions, it will take more than 60 years for all of them to meet their families,” said the official, explaining the reason for Seoul’s suggestion of regularizing the reunions. (Moon Gwang-lip, “North Proposes Holiday Reunions, South Says O.K.,” JoongAng Ilbo, September 13, 2010)

Working-level Red Cross officials from South and North Korea plan to hold talks in the North’s border town of Kaesong on Friday to discuss arranging additional reunions of families separated by the 1950-53 Korean War, Seoul’s Unification Ministry said Monday [September 13]. “South Korea’s Red Cross earlier Monday proposed holding working-level contacts in Kaesong on Sept. 17 to prepare reunions of separated families and its North Korean counterpart accepted the offer,” said the ministry said in a release. (Yonhap, “Koreas to Hold Working-Level Talks on Family Reunions in Kaesong Friday,” September 13, 2010)

China said it has decided to postpone talks with Japan aimed at signing a treaty over joint gas field development in the East China Sea in protest over Tokyo’s handling of a Chinese fishing boat that hit two Japan Coast Guard patrol ships near the disputed Senkaku Islands. “The Japanese side has ignored China’s repeated solemn representations and firm opposition, and obstinately decided to put the Chinese captain under the so-called judiciary procedures,” Chinese Foreign Ministry spokeswoman Jiang Yu was quoted as saying by Xinhua. “China expresses strong discontent and grave protest,” Jiang said, adding, “Japan will reap as it has sown, if it continues to act recklessly.” China has said the confrontation could damage its relations with Japan, showing the sensitivity of the territorial dispute, one of several that trouble China’s ties with its Asian neighbors. As the robust Chinese economy’s demand for resources grows, Beijing’s commercial ships are venturing farther from shore and its more powerful navy is enforcing claims in disputed waters. “It is regrettable that China unilaterally announced the postponement (of the talks),” a source at the prime minister’s office said. A senior Foreign Ministry official said Tokyo “cannot accept (China’s move) to link the incident to the gas field issue.” Yesterday, a court in Okinawa Prefecture granted a prosecutors’ request for a 10-day detention for the Chinese fishing boat’s captain. Prosecutors alleged that the skipper, Zhan Qixiong, 41, deliberately hit a patrol boat near the islands Tuesday and obstructed public officers performing their duties. The crew is also suspected of unlawful fishing operations in Japanese territorial waters. The Senkaku Islands are part of the city of Ishigaki in Okinawa Prefecture. The islands are claimed by China and Taiwan, known in China as Diaoyu and in Taiwan as Tiaoyutai. “The Diaoyu Islands and its adjacent islets have been Chinese territory since ancient times,” Xinhua quoted Jiang as saying. “Japan’s acts have violated the law of nations and basic international common sense, and are ridiculous, illegal and invalid.” No injuries were reported in the incident, but
the Chinese boat was seized. (Kyodo, “China Delays Gas Talks over Collision,” Japan Times, September 12, 2010) Fourteen crew members and the Chinese fishing vessel involved in a collision last week with Japan Coast Guard patrol boats near the disputed Senkaku Islands were released by Japanese authorities on September 13, and the crew reportedly arrived in Fujian Province on an airplane chartered by the Chinese government. Chief Cabinet Secretary Yoshito Sengoku said the captain, who was arrested following the incident last Tuesday, will remain in Japan. The 14 mainland Chinese fishermen left Ishigaki Island in Okinawa Prefecture on an early afternoon flight “after China’s repeated solemn representations,” Xinhua said, adding that the plane carrying the fishermen that were “illegally seized by Japanese authorities” landed in the southeastern port city of Fuzhou later in the day. (Kyodo, “China Fishing Crew, Boat Are Released,” Japan Times, September 13, 2010)

9/12/10 Boeing is looking to compete for a major fighter acquisition project in South Korea after receiving Pentagon approval to export the stealth version of its F-15 aircraft, Silent Eagle, according to Boeing and South Korean procurement officials. “Boeing submitted requests for licenses to brief South Korea about the F-15SE’s capability,” a Boeing official told The Korea Times on condition of anonymity. “The DSP-5 unclassified license for the export of unclassified items was approved in July, and the DSP-85 classified license for sensitive equipment was subsequently approved in August.” The classified items include the F-15SE’s radar cross-section treatments and electronic warfare suite, said the official. “The team will specify the degree of frontal aspect radar cross-section signature for the Silent Eagle in a closed-door briefing to the ROKAF Thursday at the Gyeryongdae military headquarters,” a DAPA official said, adding his agency will receive the same briefing on Friday [September 17]. (Jung Sung-ki, “U.S. Approves Sale of stealth F-15 to South Korea,” Korea Times, September 12, 2010)

9/13/10 Washington’s special envoy on North Korea Stephen Bosworth arrived in Seoul on Sunday as the first stop in his trip around partners of the six-nation denuclearization talks involving the two Koreas, the U.S., China, Japan and Russia “We, I think, look forward the process of bilateral contacts and eventually multilateral contacts that would hopefully result in the resumption of the six-party process,” Bosworth told reporters after meeting with officials in Seoul on Monday. “But there’s a lot of work to do before that happens,” he said. “We’re not setting any timetables.” The senior U.S. official met consecutively with Seoul’s Unification Minister Hyun In-taek, acting Foreign Minister Shin Kak-soo and chief nuclear envoy Wi Sung-lac to discuss the prospect of resuming the six-nation talks. (Shin Hae-in, “U.S. Envoy Hints at Resuming Nuke Talks,” Korea Herald, September 13, 2010)

South Korea’s Red Cross announced on that it would provide rice and cement aid to help North Korea recover from recent floods and proposed holding talks later this week on reunions of families separated by war. The aid, worth 10 billion won (US$8.6 million), includes 5,000 tons of rice and 10,000 tons of cement, Red Cross chief Yoo Chong-ha said in a press The aid, which Yoo said will largely be financed by the Seoul government, is likely to lessen tension that has run high between the sides since the sinking of a South Korean warship in March. “The rice aid will be enough to feed
200,000 people for 50 days,” Yoo said, adding it will be concentrated on the North’s border town of Sinuiju which was hit hard last month when its river abutting China overflowed and swamped houses, buildings and farmland. Yoo said the aid is unrelated to the family reunions, which last took place at a North Korean mountain resort on the east coast almost a year ago. (Sam Kim, “S. Korea Announces Aid to N. Korea, Proposes Reunion Talks,” September 13, 2010)

Chinese Premier Wen Jiabao “surprised us by quoting the DPRK leader regarding the prospective promotion of his son, Kim Jong-un, as ‘a false rumor from the West,’” former President Jimmy Carter said in a Carter Center Web posting dated September 13. DPRK stands for the Democratic People’s Republic of Korea, the North’s official name. “We’ll just have to wait to learn the truth about the succession in power,” Carter wrote. (Christine Kim, “Wen Says North Succession Pal Is ‘Rumor’: Carter,” JoongAng Ilbo, September 18, 2010)

The chief of a presidential committee on defense advancement said that South Korea should secure weapons capable of incapacitating the North’s weapons of mass destruction to deal with its growing military threats. Lee Sang-woo of the 15-member committee made the remarks amid escalating public calls for military reform aimed at enhancing the country’s defense capabilities against North Korean provocations. “Unless North Korea abandons its WMDs, South Korea, which has decided not to possess WMDs, has no way to be militarily superior to its communist neighbor,” Lee said during his keynote speech at a security seminar hosted by three local security research institutes. “The South, which maintains a denuclearization policy, can prevent the North’s military superiority only when it has the non-nuclear precision strike capabilities that could incapacitate its WMDs before they are put to use.” Lee, former head of Hallym University and professor of political science, also voiced caution against the planned troop drawdown. Under the Military Reform Plan 2020 crafted by the former Roh Moo-hyun government in 2005, the military plans to reduce the number of troops to 517,000 by 2020 from the current 650,000. “Considering that the North has deployed ground troops two times more than ours in the frontline areas, the early reduction of our troops is not desirable,” Lee said. “We should maintain our troops at a certain level until the North significantly reduces its ground troop numbers. We also need to maintain the term of mandatory military service at a certain level given our limited size of the military workforce.” Touching on North Korean provocations, he stressed the need for the military to change its policy stance from a “passive defense strategy” to an “active deterrence strategy.” (Song Sang-ho, “Weapons Needed to Neutralize N.K. WMDs” September 15, 2010)

The South Korean government said it would relax a months-long restriction and allow hundreds more civilians to stay overnight at an industrial park it operates with North Korea in the communist state’s border town of Kaesong. Up to 900 South Koreans working at factories in the joint industrial complex will be allowed to stay overnight in the North, an increase from the current cap of 600 people, according to Seoul’s Unification Ministry. South Korea had halved the number of its workers in the factory park in May as part of punitive measures it took against North Korea for allegedly torpedoing the Cheonan. “We have made the decision upon demands from
companies in the complex on the need of more people to ensure production, improve quality and divide the workload,” a Unification Ministry official said, asking not to be named as he was not authorized to speak to the media on the issue. The recent decision will take effect as early as next week, the official added. (Shin Hae-in, “Seoul Eases Cap on Kaesong Travel,” Korea Herald, September 14, 2010)

Prime Minister Naoto Kan won a full term as Democratic Party of Japan president, easily defeating political heavyweight Ichiro Ozawa in a battle to determine which direction the fractious ruling party would take. Kan, 63, received 721 points, while Ozawa, a 68-year-old former DPJ secretary-general, gained 491 points. (Asahi Shimbun, “Kan Fends off Ozawa for Top Post,” September 14, 2010) How Kan won: 83 percent of ordinary party members, 51 percent of Diet members and 60 percent of DPJ delegates to local government assemblies. (Mure Dickie, “Kan Beats Rival to Score Easy Victory,” Financial Times, September 14, 2010)

9/15/10

“President Lee Myung-bak has designated Kim Hwang-sik, chairman of the Board of Audit and Inspection (BAI), as prime minister,” presidential chief of staff Yim Tae-hee told reporters. He would become “the first prime minister hailing from South Jeolla Province since the establishment of the South Korean government” in 1948 if he is confirmed by the National Assembly, Yim said. South Korean politics is chronically plagued by regionalism, with senior public officials or politicians often judged or voted on depending partly on their hometowns. The southwestern province of Jeolla is a stronghold of the main opposition Democratic Party. (lee Chi-dong, “Chief State Auditor Named New Prime Minister,” Yonhap, September 16, 2010)

Carter op-ed: “During my recent travels to North Korea and China, I received clear, strong signals that Pyongyang wants to restart negotiations on a comprehensive peace treaty with the United States and South Korea and on the denuclearization of the Korean Peninsula. The components of such an agreement have been fairly constant over the past 16 years, first confirmed in 1994 by the United States and Kim Il-sung, then the North Korean leader, and repeated by a multilateral agreement negotiated in September 2005. ... But conditions have since deteriorated: the talks stopped in 2009, and that same year the United Nations imposed sanctions on Pyongyang after it conducted a second nuclear test and launched a long-range missile. North Korea also prohibited reunions between North and South Korean families. Tensions grew still higher this year when North Korea detained an American, Aijalon Gomes, whom it accused of crossing into its territory, in January and a South Korean fishing crew in August. However, there are now clear signals of eagerness from Pyongyang to resume negotiations and accept the basic provisions of the denuclearization and peace efforts. In July, North Korean officials invited me to come to Pyongyang to meet with Kim Jong-il, the North Korean leader, and other officials to secure the release of Mr. Gomes. Those who invited me said that no one else’s request for the prisoner’s release would be honored. They wanted me to come in the hope that I might help resurrect the agreements on denuclearization and peace that were the last official acts of Kim Il-sung before his death in 1994. I notified the White House of this invitation, and approval for my visit was given in mid-August, after North Korea announced that Mr. Gomes would soon be transferred from his
hospital back to prison and that Kim Jong-il was no longer available to meet with me. (I later learned that he would be in China.) In Pyongyang I requested Mr. Gomes’s freedom, then had to wait 36 hours for his retrial, pardon and release. During this time I met with Kim Yong-nam, president of the presidium of the North’s Parliament, and Kim Kye-gwan, the vice foreign minister and chief negotiator for North Korea in the six-party nuclear talks. Both of them had participated in my previous negotiations with Kim Il-sung. They understood that I had no official status and could not speak for the American government, so I listened to their proposals, asked questions and, when I returned to the United States, delivered their message to Washington. They told me they wanted to expand on the good relationships that had developed earlier in the decade with South Korea’s president at the time, Kim Dae-jung, and Prime Minister Junichiro Koizumi of Japan. They expressed concern about several recent American actions, including unwarranted sanctions, ostentatious inclusion of North Korea among nations subject to nuclear attack and provocative military maneuvers with South Korea. Still, they said, they were ready to demonstrate their desire for peace and denuclearization. They referred to the six-party talks as being “sentenced to death but not yet executed.” The following week I traveled to Beijing, where Chinese leaders informed me that Mr. Kim had delivered the same points to them while I was in Pyongyang, and that he later released the South Korean fishing crew and suggested the resumption of family reunions. Seeing this as a clear sign of North Korean interest, the Chinese are actively promoting the resumption of the six-party talks. A settlement on the Korean Peninsula is crucial to peace and stability in Asia, and it is long overdue. These positive messages from North Korea should be pursued aggressively and without delay, with each step in the process carefully and thoroughly confirmed.” (Jimmy Carter, “North Korea Wants to Make a Deal,” New York Times, September 16, 2010, p. A-)

Bosworth: “It is good to be back in Tokyo as it always is. I am in the midst of a trip with my colleagues, Ambassador Kim and Mr. Russel. We have been in Seoul, we came here yesterday, we leave later this morning for Beijing, and then we will be returning to Washington. We will also be consulting with Russia at some point. It was not possible to go on to Moscow on this trip, but we will see them in the very near future. The purpose of this trip is to assess the way forward in dealing with the DPRK on the issues involved in the Six-Party Talks, particularly on the issues of the denuclearization of the Korean Peninsula. We had very good talks here in Tokyo with Director General Saiki and Vice Minister Sasae. I think we are very firmly agreed that we and our partners and allies must work together very closely over the next several weeks as we look for the right opportunity and the right moment to reignite the multilateral effort to denuclearize the Korean Peninsula. For our part, and I think for the part of our allies here in Japan and South Korea, we continue to pursue what I would call a two-track strategy. On the one hand, we will continue to enforce the sanctions which have been approved by the UN Security Council as well as the sanctions that the United States and others have put into place over the last several weeks. At the same time however, as I’ve indicated, we remain open to productive and effective dialogue and negotiation. In fact, as is stated in the UN Security Council Resolution, the way to relief from the sanctions lies on the path of significant progress toward denuclearization. In other words, when we begin to make progress
in the negotiations, we can begin to discuss what happens to the sanctions. **But to discuss sanctions at this point is very premature.** It is very important I think to underline that this whole process does not depend just on decisions by the five – China, Russia, the U.S., Japan, and South Korea. It depends very importantly on the decisions and actions of North Korea and we are looking for evidence that North Korea now regards the possibility of negotiations seriously. We are not interested in negotiations just for the sake of talking. We want talks that lead to specific and concrete results. **It is important I think at this juncture for various reasons that we see an improvement in North-South relations on the Korean Peninsula as part of the effort to assess how we will best move forward.** So again, we had very productive discussions here in Tokyo. **I would stress our common purpose and our common resolve, and I would caution that there is no reason at the moment to expect that there is going to be a flurry of diplomatic activity in the next few weeks.** This is going to take some time to assess the way forward and then to begin building consensus as to how we get there. And very importantly, it requires some actions by the DPRK to demonstrate their seriousness of purpose. I will take a couple of questions. **Q:** You mentioned North Korea’s decisions and actions. Did you talk with the Japanese government what kind of decisions and actions you expect? **BOSWORTH:** We had discussions in depth of those questions. I don’t think it’s productive to discuss those now in public, but I think that most of you, being long-term followers - long-time followers of these issues, can probably figure out what decisions and actions we’re looking for. **Q:** What particular U.S. expects to have a direct talk with North Korea, other than North-South relations? **BOSWORTH:** I would certainly not rule out the possibility of direct U.S.-DPRK talks. We’ve had those in the past and I think they can take place again, and I think they will take place when we assess that it would be useful to do so. But I stress that we are committed in the larger picture to a multilateral effort, particularly to the Six-Party process, to deal with instability on the Korean Peninsula. **Q:** That gathering of North Korea Workers’ Party probably this week and coming soon. What is important for the U.S. because they talk about the succession issue for Kim Jong-il? **BOSWORTH:** Well, without reference to the party conference, I would simply repeat that what is important to us and I think to the other members of the Six-Party process is to see evidence that North Korea regards negotiations, the possibility of negotiations, seriously, and that they are prepared to produce concrete results. (DoS, Stephen Bosworth, Special Representative for North Korea Policy, Tokyo, September 15, 2010)

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KCNA: “The fifth round of the DPRK-U.S. senior colonel-level military working contact was made in Panmunjom [September 16]. At the contact the DPRK side pointed out that there took place four rounds of the contact for probing the truth behind the “Cheonan” case but the solution to the issue has been delayed entirely due to the unjust stand and attitude of the U.S. forces side. It went on to say: The U.S. forces side has been engrossed in perfidious acts, making a mockery of its dialogue partner; it unilaterally submitted such false information as the “UN Command’s report on the results of special investigation” to the UNSC, persistently and groundlessly linking the “Cheonan” case with the DPRK, while having military contacts under an agreement reached between the DPRK and the U.S. to probe the truth about the case. It egged the puppet group on to distribute even a final report on the results of the investigation
full of doubts. The U.S. forces side, at the same time, staged DPRK-targeted joint military exercises under various codenames and put into force “additional sanctions” against it under the pretext of the “Cheonan” case, deliberately laying hurdles in the way of settling the issue. It is standing in the way of settling the “Cheonan” case for fear of the disclosure of the inside story about of the charade orchestrated by it. The more deliberately the U.S. links the “Cheonan” case with the DPRK, the stronger its army and people will become in their stand to roundly probe the truth about the case in the eyes of the world, the DPRK side stated, re-clarifying its stand to probe the truth about the case to the last.At the contact both sides held a consultation on the U.S. side’s examination of the proposal for forming the DPRK-U.S. joint inspection group advanced by the DPRK side at the forth round of the DPRK-U.S. senior colonel-level military working contact. The proposal is a fair and aboveboard and a landmark one as it reflects the will of the army and people of the DPRK to make a scientific and objective probe into the truth behind the case and thus defuse the present military tension and confrontation on the Korean Peninsula. But the U.S. forces side did not want to move the consultation ahead while pitting absurd and far-fetched assertions against the above-said proposal. The DPRK side advanced a broad-minded proposal to name the inspection group, define the rank of its head of each side and fix the number of the members of the group, etc. to the convenience of each side and start the investigation as early as possible, prompted by its unshakable stand and will to probe the truth behind the case to the last. Finding no words to say, the U.S. forces side was compelled to utter that it would examine it and clarify its stand at the next round of the contact. Both sides agreed to make the sixth round of the contact in Panmunjom on around September 28.” (KCNA, “5th DPRK-US Colonel-level Military Working Contact Made,” September 16, 2010)

Bosworth: “Here in Beijing it was very useful to exchange views with the Chinese Government, the Foreign Ministry. I had two very useful meetings one with Wu Dawei, Special Representative for Six-Party Talks, and then again today this morning with the Foreign Minister. I think we are in strong agreement on the importance of our joint undertakings to deal with the challenges of North Korea and the North Korean nuclear program. We in the United States certainly recognize, as does the Government of China, that we have a special responsibility within the Six-Party process to deal with this set of issues and challenges. We are convinced of the need to resume diplomatic activity and we will continue an exchange of views over the coming weeks and months on how best to bring that about. In particular, I think it is clear that the resumption of the Six-Party process does not depend just on what the five do. It also depends importantly on what we hear and see from the DPRK. This is basically a requirement that I think they have to come to terms with, and we look forward to the opportunity to continue exchanging views with our partners. We continue to pursue basically a two pronged strategy: On the one hand we continue to enforce the sanctions which have been put in place over the last year or more on the DPRK, but simultaneously we remain open to dialogue and constructive engagement. We are not interested, as I said previously, in talking just for the sake of talking. As I stressed in all of my stops here in the region, we are interested in results, and I think that message is one on which there is very firm agreement among all of the participants in the Six-Party process at least among the five. So it’s been a very useful
stop and I look forward to further opportunities to coordinate and consult with the Government of China on this important issue. For the U.S. and China, I think given the series of meetings that have occurred last week, this week, and next week with President Obama meeting with Wen Jiabao in New York, it is clear that this area, this question of North Korea and the North Korean nuclear program, is seen by both governments as fundamental to our partnership and our relationship. So, with that, I would be happy to take a couple of questions. **Q:** Is there any indication that North Korea is willing to accept responsibility for the sunken South Korean ship? **BOSWORTH:** I see no indication of that. As you know, one of the things that we believe quite strongly is that as part of the process of re-engagement there has to be a re-engagement on the South-North axis as well, and I think there is some reason to be somewhat optimistic that at least part of that has begun. **Q:** Did your Chinese counterparts update you on any of the details from the recent meeting with Kim and President Hu? **BOSWORTH:** They have been very careful to keep us fully informed over the last few weeks on the results of their bilateral contacts, just as we keep them informed on any bilateral contacts that we might have. So I think we feel that they have done that very satisfactorily. **Q:** Mr. Bosworth, did you get any indication from the Chinese that we are any closer to resuming talks? **BOSWORTH:** No. At this point that would be purely speculative. I think we have a very clear understanding of the things that have to happen in order for the talks to resume. Obviously, the talks have to resume in order to produce results, but I think most important at present is our desire to be able to make a judgment that the talks will be fruitful and will produce specific, substantive results. **Q:** Mr. Ambassador, you keep on stressing that the DPRK should do a commitment. What should they do in concrete? **BOSWORTH:** Well I don’t think it’s necessary to relate a detailed, specific list. If you look back at what they have committed to do earlier times in the Six-Party process, I think it’s quite clear that there remain things they have committed to do but have not yet done or things they committed to do, began to implement, and then reversed. And it’s that array of activities that we will be examining carefully over coming weeks. One last question. **Q:** [Inaudible] Why are you optimistic that the talks will even happen again? **BOSWORTH:** Well I think we remain of the view that these talks are important, that we are committed to helping create the conditions that would make them possible. But the burden is not just on the United States or on the other members of the Six-Party Talks. The burden is quite clearly, as well, on the DPRK. It is their actions, and their activities and their statements that will over time determine whether or not the talks can resume, and then, whether the talks will be successful.” (DoS, Stephen Bosworth, Special Representative for North Korea Policy, Beijing, September 16, 2010)
previously demanded that North Korea acknowledge its guilt and apologize, but it appears that demand has been softened to something more like seeking condolences, a senior Asian official said. "This has to be done in a way that addresses the grievances of the South Koreans," said a senior Obama administration official who discussed the deliberations on the condition of anonymity. There is less agreement on what would be expected of North Korea after a statement of regret. Some officials said they would want to see the North take specific steps to reverse its nuclear program before any real talks began. In late August, Secretary of State Hillary Rodham Clinton gathered analysts and policymakers for a seminar on the North. According to participants, Clinton was convinced that the United States and its allies needed to find a way to reengage the North. "There are two legs of the stool so far," one participant said. "Sanctions and military exercises. But she views talking with the North as the indispensable third. If you just continue sanctions and exercises, that's a road to war." Other participants said that no one in the meeting was under any illusion that North Korea could be persuaded to end its nuclear weapons program soon. However, there is a growing consensus that talking with the North could function as a form of containment. The United States doesn't seem to have any plans to lift sanctions on North Korea as a reward for simply returning to the table. Wallace Gregson, assistant secretary of defense for Asian and Pacific security affairs, told a Senate panel Thursday that the sinking of the Cheonan was an "act of war," that sanctions would continue and that the United States wants to see "meaningful actions" by North Korea before international talks are resumed. There are signs that the North is also trying to find an opening. It has asked for - and accepted - South Korean aid after a series of natural disasters. And during the trip of its leader, Kim Jong-il, to China in August, he was quoted by China's official Xinhua News Agency as recommitting North Korea to denuclearization. Chinese officials have been urging the resumption of six-party talks - which grouped China, the United States, South Korea, Japan, Russia and North Korea. It is unclear whether the moves by the United States and its allies will have any effect. The top U.S. diplomat for Asia acknowledged Thursday that the United States does not understand what is happening in North Korea and could only guess whether its leader is in the process of handing over power to his third son. "In fundamental ways, North Korea is still a black box," Kurt Campbell, assistant secretary of state for East Asian and Pacific affairs, told the same Senate panel. "We have some glimpses and some intelligence and the like, but the truth is, oftentimes in retrospect some of that intelligence has proven to be wrong. It's a very, very hard target, probably the hardest target we face in the global arena." North Korea announced over the summer that it was going to hold a Workers' Party conference in "early September." Analysts had presumed that the meeting was part of an elaborate maneuver on the part of the ailing 68-year-old Kim to begin the power handoff to son Kim Jong Eun - thought to be in his mid-20s. But the meeting has been postponed. When asked by Sen. John McCain (R-Ariz.) whether the United States expected Kim Jong Eun to replace his father, Campbell quipped: "Your guess is as good as ours, Senator." (John Pomfret, "U.S., Allies Working on New N. Korea Strategy," Washington Post, September 17, 2010, p. A-10)

South and North Korea failed Friday [September 17] to agree on the reunions of families separated by the Korean War six decades ago, but will hold another round of Red Cross talks next week in an effort to iron out their differences, an official said.
"They could not agree on the exact venue for the reunions," the Unification Ministry official said, speaking on the customary condition of anonymity. "The sides, however, almost converged on the date for the event, and will meet on Sept. 24 for more talks." The sides agreed in principle to hold the reunions in the North’s eastern mountain resort of Kumgang, where South Korean-owned facilities have been either frozen or seized since early this year amid strained relations between the divided countries. South Korea, which does not acknowledge the validity of the North Korean action, proposed that the reunions be held at the family reunion center, which was last used in October 2009. The North, however, was reluctant to agree, only saying the event should be held "within the Kumgang zone," South Korean government officials said earlier Friday while the one-day talks were underway in the North Korean border town of Kaesong. "North Korea may be trying to extract a concession from South Korea over the resort," said Kim Yong-hyun, a North Korea professor at Dongguk University in Seoul. "The North may be demanding that the South first lift its ban on the tours before it lifts its lock on the family reunion center." (Sam Kim, "Koreas Fail to Agree on Reunions of Families, to Meet for More Talks: Official," Yonhap, September 17, 2010)

KCNA: "An inter-Korean Red Cross working contact was made in Kaesong [September 17]. At the contact the DPRK side recalled that it actively proposed arranging the reunion of separated families and relatives on the occasion of the Harvest Moon Day, guided by noble compatriotism and the spirit of humanitarianism. **This was an expression of the DPRK’s good will to promote reconciliation and unity and its positive intention to open a new phase of peace and reunification by settling the serious situation prevailing between the north and the south and implementing the north-south joint declarations, it stressed.** Then the DPRK side advanced a technical proposal regarding the date of arranging the reunion of separated families and relatives, its scope and the exchange of lists of those to be involved, etc. on the occasion of the Harvest Moon Day. At the contact both sides agreed to hold the reunion of separated families and relatives at Mount Kumgang resort from Oct. 21 to 27, have the next round of the working contact in Kaesong on Sep. 24 and further the discussion on other technical matters related to the reunion." (KCNA, “North-South Red Cross Working Contact Made,” September 17, 2010)

Fresh off his re-election as president of the Democratic Party of Japan, Prime Minister Kan Naoto reshuffled his 3-month-old Cabinet on Friday, replacing 10 of the 17 Cabinet posts and naming few people loyal to party bigwig Ichiro Ozawa. Before Tuesday’s DPJ presidential race in which Ozawa, a former party secretary general, lost to Kan, the two had agreed to foster party unity regardless of the outcome, but many of the key roles in the government and the DPJ executive lineup went to people known to be critical of Ozawa. Highlights of the lineup are the move for Maehara Seiji from transport minister to foreign minister and the naming of non-Diet member Katayama Yoshihiro, former Tottori governor and currently a Keio University professor, as internal affairs minister. Maehara's appointment hit a snag because he is viewed as a “China hawk,” party sources said, adding that some members were concerned it could further aggravate Tokyo’s ties with Beijing. As transport minister, who oversees the Japan Coast Guard, Maehara was responsible for the recent arrest of the skipper of a Chinese fishing boat that collided with coast guard patrol vessels. Before reshuffling his Cabinet, Kan in the morning named new DPJ executives, giving the post of secretary
general – the DPJ’s No. 2 position – to Okada Katsuya, who previously held the post of foreign minister. The appointment of Okada, who sports a “clean image” and has been critical of Ozawa over his political funds scandal, is thought to signal Kan’s desire to put his own stamp on the politic landscape and reduce the influence of Ozawa, who leads the biggest intraparty group. (Japan Times, “Kan Replaces Half of His Cabinet,” September 17, 2010)

Chicago Council poll: “Americans also show an inclination to take a hands-off approach to confrontations between North and South Korea. Asked how the United States should respond to the recent North Korea’s torpedoing of a South Korean naval ship in which forty-six South Korean sailors were killed, only 27 percent endorse the view that this was an act of unprovoked aggression and the United States should join South Korea in punishing North Korea. Rather, two-thirds endorse the position that the United States should strongly criticize North Korea for its attack, but should view it as one in a series of incidents in the North Korea–South Korea conflict over disputed waters. Americans are also reluctant to unilaterally defend South Korea against an attack from the north. Fifty-six percent (56%) would oppose the use of U.S. troops if North Korea invaded South Korea, though as mentioned previously, a majority would contribute military forces “together with other countries” to a UN-sponsored effort to reverse the aggression. ... As in the past, there is little enthusiasm for new free trade agreements. Americans do not support “a free trade agreement that would lower barriers such as tariffs” with most countries asked about, including China, Colombia, India, and South Korea (see Figure 26). India is the closest, however, to gaining support for a free trade agreement, with those in favor up 9 points from 36 percent in 2008 to 45 percent today. For South Korea, even when asked a separate question explaining that the United States and South Korea negotiated a free trade agreement in 2007 and giving pro and con arguments for its approval by the Senate, only a minority of Americans favor an agreement (44% in favor to 47% opposed). Interestingly, in the case of South Korea there is a rather large misperception about the importance of trade with that country. Fully 71 percent do not realize that South Korea is one of the United States’ top ten trading partners, with 46 percent thinking it is in the top twenty but not the top ten, and 25 percent thinking it is not even in the top twenty. An exception to this opposition to new trade agreements, though, is Japan. In the case of Japan, support for a free trade agreement increased 5 points, from a plurality of 47 percent to a majority of 52 percent. ... North Korea, like Iran, is one of Americans’ least favorite countries, tying for last with Iran at a very cold 27 (out of a possible 100) on the scale of “feelings” toward various countries. Seventy-five percent (75%) of Americans are opposed to engaging in trade with the country. There are no official diplomatic relations with North Korea, yet again, as with Iran, Americans think U.S. leaders “should be ready to meet and talk” with the country’s leaders (62%). The Korean problem is complicated in its own way because the challenge is not just North Korea’s nuclear program, but also a divided peninsula with opposing regimes in the north and south. When asked to choose between three policy options related to these two problems, Americans clearly show more concern about the nuclear threat than the divided peninsula (see Figure 43). Fifty percent (50%) of Americans prefer to “work to negotiate an end to North Korea’s nuclear capability even if it means accepting the North Korean regime and continuing division of the Peninsula.” Only 18 percent prefer
to “work to maintain stability on the Korean Peninsula even if it means accepting North Korea’s current regime and nuclear capability,” and 19 percent would rather “work to bring about regime change in North Korea even if it may bring instability to the Korean Peninsula and further nuclear proliferation.” Concern over the potential nuclear threat from North Korea appears to be contributing at least in part to support for a U.S. military presence in South Korea. Among those who see the possibility of unfriendly countries becoming nuclear powers as a “critical” threat, 63 percent support having long-term U.S. military bases in South Korea. Among those who see the threat as “important but not critical,” 55 percent support bases in South Korea, and among those who say the threat is “not important at all,” only 41 support bases in South Korea. A similar pattern also emerges on preventing the spread of nuclear weapons as a possible foreign policy goal. The support for bases in South Korea declines as the perceived importance of this goal goes down. Overall, given the high level of the perceived threat from nuclear proliferation (69% “critical”), South Korea receives the highest level of support for having long-term military bases (62%) among all countries asked about, 10 points higher than Afghanistan and Germany, the other two countries with majority support for bases. It is also the only country of those asked about in which there has been no statistically significant drop since 2008 in the desire to have bases in that country. There is also evidence that support for troops in South Korea is related to the desire to counterbalance the rising power of China. But despite the support for having troops in South Korea, Americans show reluctance to use them to defend that country unilaterally. Only 40 percent of Americans support using U.S. troops to defend South Korea against a North Korean invasion. Nevertheless, this support jumps to 61 percent if the United States were to contribute troops to a UN sponsored effort to reverse a North Korean attack of South Korea. This is consistent with previous survey findings showing that Americans are more inclined to use U.S. troops if it is done in a multilateral framework. Interestingly, in the hypothetical scenario in which North and South Korea reunify as a single nation—the implication being that the threat from North Korea and its nuclear weapons is then removed—51 percent favor options that include the removal of ground troops: either maintaining the U.S. alliance with South Korea but removing ground troops (37%) or ending the alliance with South Korea and removing ground troops (14%). Forty-three percent (43%) support maintaining the alliance and keeping U.S. ground troops so as to counterbalance China. Viewed in another way, a very high 80 percent favor maintaining the alliance with South Korea in some way, and among those, more want to keep U.S. ground troops to counterbalance China than remove them. …bases in South Korea (62%), Afghanistan, (52%) and Germany (52%), though the numbers for Afghanistan and Germany have dropped 5 and 7 points, respectively. Only pluralities now support long-term bases in Iraq and Japan (50% in both cases), a major shift from 2008 when solid majorities of 57 percent and 58 percent, respectively, supported long-term bases there. Attitudes were divided in 2008 on long-term bases in Pakistan and Turkey, but now majorities oppose them. Support for bases in Pakistan dropped from 49 to 45 percent, with 52 percent opposed. Support for bases in Turkey dropped from 50 to 43 percent, with 53 percent opposed. In the case of Japan, the drop may be at least partly explained by the controversy with the Japanese government over troops in Okinawa. …The only country (out of seven asked about) where there has been no statistically significant change since 2008 on support for bases is South Korea. Asked more specifically about
the level of U.S. troops there (30,000), 50 percent say this number is “about right,” while 34 percent say it is “too many” and only 12 percent say it is “too few.” There has been an 8-point shift away from reducing current troop levels in favor of maintaining them since 2006 when the question was last posed. Support for troops in South Korea appears to be at least partly viewed as a hedge against China. Seventy-eight percent (78%) of those who are “very worried” that China may become a military threat in the future think the United States should have long-term military bases in South Korea, compared to 62 percent overall. Among those who think the United States should work with South Korea to limit China’s rise, more support having long-term military bases in South Korea (69%), compared to 62 percent supporting bases overall and 52 percent supporting bases among those who don’t think the United States and South Korea should work to limit China’s rise. In addition, among those who say the United States and South Korea should work to limit the rise of China, 60 percent think that if North and South Korea were to reunify as a single nation, the United States should maintain the alliance with South Korea and keep U.S. ground troops to counterbalance China. This compares to 43 percent in the survey overall who would maintain the alliance and keep troops to counterbalance China and only 33 percent who would do this among those who say the United States and South Korea should not work together to limit the rise of China. It is important to remember, however, that in the survey overall, a very high 68 percent of Americans prefer to undertake friendly cooperation and engagement with China rather than actively work to limit the growth of its power.

As in the past, without a clear specification that the intervention would be multilateral, majorities of Americans oppose most possible uses of U.S. troops cited in the survey, including if China invaded Taiwan (71% opposed, up 6 points since 2008) and if North Korea invaded South Korea (56% opposed. Majorities have nearly always rejected these uses of U.S. troops going back to the 1990s. In light of financial constraints at home and the limits of American power abroad, however, there are some signs that support for engagement in major conflicts has softened even more.

...another example of Americans’ reluctance to intervene in military conflicts abroad, even when close allies are threatened. As mentioned earlier, only 40 percent of Americans support using U.S. troops to defend South Korea against a North Korean invasion even though the United States would be obligated to come to the aid of South Korea under the terms of the alliance. Nevertheless, this support jumps to 61 percent if the United States were to contribute troops to a UN-sponsored effort to reverse a North Korean attack of South Korea. When asked their view of the recent North Korean attack on a South Korean naval vessel that killed forty-six sailors, 67 percent of Americans say the United States should strongly criticize North Korea for the attack, but should view it as one in a conflict over disputed waters. Only 27 percent say it was an act of unprovoked aggression and the United States should join South Korea in punishing North Korea. ...Americans, however, also exhibit a preference for hedging against the possibility of China becoming a threat in the future. They want to continue to work closely with U.S. allies in Asia, with 58 percent preferring to build up strong relations with traditional allies like South Korea and Japan even if this might diminish relations with China, rather than building a partnership with China at the expense of allies. When asked specifically if the United States and South Korea should work together to limit China’s rise in the years ahead, 55 percent are in favor. ...South Korea is one of United States’ closest allies and friends in Asia. With an economy
ranked fifteenth in the world by gross domestic product, it experienced rapid economic growth over the past decades and is among the United States' top ten trading partners. Americans largely see South Korea in a positive light. Many more Americans have the impression that South Korea has a “closer relationship” with the United States (42%) than with its much closer neighbor China (18%). Thirty-four percent (34%) percent think South Korea has an equally close relationship with both. Feelings toward South Korea fall just to the warm side of neutral (52 on the 100-point scale). This places the country in the top half of the relative rankings (ninth out of twenty-two countries) and is quite an improvement over the 44 rating that South Korea received in 2006 (an 8-point jump). Most Americans think that relations with South Korea are stable, with 57 percent saying relations are staying “about the same.” Twenty-three percent (23%) think relations are “worsening” and 13 percent think they are “improving.” Forty-eight percent (48%) of Americans feel that the United States shares “similar values and a way of life” with South Korea “to some extent” (41%) or to a “great extent” (7%), with 35 percent saying to a “little extent” and 10 percent saying to “no extent.” The positive percentage is up 13 points from 2008, when 35 percent said to “some” or a “great” extent. These upward trends suggest that Americans are beginning to appreciate a country they actually know very little about. Only a slight majority of Americans (51%) know that South Korea is a democracy, and only 20 percent know that South Korea is one of the United States’ top ten trading partners. Forty-six percent (46%) think it is in the top twenty but not the top ten, and 25 percent think it is not even in the top twenty. Despite their perceptions that South Korea is not a very important trading partner, Americans are quite divided about the trade relationship. A plurality of 48 percent of Americans think South Korea practices fair trade with the United States, with 42 percent feeling it practices unfair trade. Yet, as with most countries asked about, Americans are not in favor of having a free trade agreement with South Korea (51% no to 42% yes). Even when asked a separate question explaining that the United States and South Korea negotiated a free trade agreement in 2007 and giving pro and con arguments for its approval by the Senate, only a minority of Americans favor an agreement (44% in favor, to 47% opposed). Overall, Americans clearly do not see South Korea as belonging to the group of the world’s top powers. South Korea receives an influence rating of 4.7 (on a 10-point scale), well below the major powers and only slightly ahead of Brazil and Turkey. Looking to the future, Americans do not see South Korea’s influence changing much, with its influence expected to be at 4.9 on the 10-point scale in ten years. Despite the generally positive feelings toward South Korea, like many countries in this survey, it is not high on the list of “very important” countries to the United States. Only 21 percent say that South Korea is “very important,” (placing it thirteenth out of eighteen countries), though 46 percent say it is “somewhat important.” Yet, Americans do see an important role for South Korea in terms of its military partnership with the United States. Sixty-two percent (62%) of Americans think the United States should have long-term military bases in South Korea, the most support of any country asked about and the only country in which support has not dropped. When told that the United States has about 30,000 troops in South Korea, 50 percent of Americans say this number is “about right,” with 34 percent saying it is “too many” and 12 percent saying it is “too few.” While Americans are reluctant to use those troops against an invasion by North Korea of South Korea (only 40% support this when multilateral action is not
mentioned), they are open to it if the United States contributes troop along with other countries to a UN-sponsored effort to reverse the aggression (61% in favor). Americans also prefer to stay out of disputes between North and South Korea. Regarding the recent North Korean attack on a South Korean naval vessel that killed forty-six sailors, only 27 percent say that it was an attack of unprovoked aggression and the United States should join South Korea in punishing North Korea. Instead, 67 percent say the United States should strongly criticize North Korea for the attack, but should view it as one in a series of incidents in the North Korea–South Korea conflict over disputed waters. Even though Americans are much more focused on China as a growing power in the region, they do not want to compromise relations with important allies like South Korea. Fifty-eight percent (58%) prefer to build up strong relations with traditional allies like South Korea and Japan even if this might diminish relations with China rather than building a partnership with China at the expense of allies (31%). When asked specifically if the United States and South Korea should work together to limit China’s rise in the years ahead, 55 percent are in favor despite their preference to undertake friendly cooperation. Among those who think the United States should work with South Korea to limit China’s rise (55% of respondents overall), more support having long-term military bases in South Korea (69%), compared to 62 percent supporting bases in the survey overall and 52 percent supporting bases among those who don’t think the United States and China should work to limit China’s rise. In addition, among those who are “very worried” that China could be a military threat to the United States in the future (17% of respondents overall), more are inclined to support long-term military bases in South Korea (78%) than in the survey overall (62%). However, even among those who are “not very worried” about China becoming a military threat, a bare majority still supports long-term military bases in South Korea. Not surprisingly, North Korea shares the lowest rating on the “feelings” scale with Iran (27), a distinction that is common from past surveys. For the United States, North Korea remains the pariah of East Asia. There are no official diplomatic relations with the country, and the Six-Party Talks aimed at resolving the problem of North Korea’s nuclear program have been stalled over nuclear tests conducted by the country and other issues. Given that the threat of unfriendly countries becoming nuclear powers is among Americans’ top concerns, stopping North Korea’s nuclear program is a top priority for Americans over the problem of a divided peninsula. When asked to choose one of three possible approaches to North Korea as the best option, 50 percent prefer to “work to negotiate an end to North Korea’s nuclear capability even if it means accepting the North Korean regime and continuing division of the Peninsula.” Only 18 percent choose working to “maintain stability on the Korean Peninsula even if it means accepting North Korea’s current regime and nuclear capability.” Nineteen percent (19%) prefer to work to “bring about regime change in North Korea even if it may bring instability to the Korean Peninsula and further nuclear proliferation.” In dealing with the country, 75 percent of Americans are opposed to engaging in trade with North Korea. But despite the lack of diplomatic relations, 62 percent of Americans do think U.S. leaders should be ready to meet and talk with North Korea’s leaders. Americans also want to stay out of disputes between North and South Korea. As mentioned in the section on South Korea, 67 percent say the United States should criticize North Korea for its attack on a South Korean naval vessel that killed forty sailors, but not join South Korea in punishing North Korea (only 27% prefer this approach). Also as mentioned previously, Americans
A group of U.S. experts on North Korea was set to visit Pyongyang this weekend to discuss nongovernmental economic exchange and cooperation, a news report, the Voice of America reported, citing unidentified diplomatic sources. Susan Shirk, director of the Institute on Global Conflict and Cooperation of the University of California, and Karin Lee, executive director of the New York-based National Committee on North Korea, were among the U.S. visitors, the report said, without specifying the exact number of the delegation. Some American experts had tried to visit North Korea in the past months, but the U.S. government was reluctant to allow them to enter the communist country following the March sinking of a South Korean warship, according to the report. The report said the visit by the U.S. experts was permitted by the U.S. State Department. (Yonhap, “U.S. Experts to Visit N. Korea: Report,” September 18, 2010)

North Korea may convene a key Workers’ Party of Korea conference in early October, former Japanese lawmaker and wrestling star Antonio Inoki said Saturday after a six-day trip to the country. “I got the impression that (the meeting) will be held immediately before the 65th anniversary of the party’s founding on Oct. 10,” Inoki, a former member of the House of Councilors, told journalists at Beijing airport. The ruling party apparently has delayed a conference of delegates, which it earlier said would hold in “early September” to elect its “highest leading body,” without elaborating. (Kyodo, “N. Korea May Hold Party Meeting in Late Oct.: Ex-Lawmaker,” September 18, 2010) North Korea may have delayed its critical party gathering due to unsolved issues surrounding its father-to-son power succession plan, a government source in Seoul said. North Korea for months has said that the meeting of its ruling Workers’ Party delegates, the first in 30 years, would take place in “early September,” which usually covers days as late as the 15th in Pyongyang. “There is the possibility that the issues of publicly anointing Kim Jong-un as the heir and personnel appointment for the son’s patrons could not be sorted out,” a government source in Seoul said. The source also said the South Korean government detected signs that some party delegates were returning home. Pyongyang regards it important to have its longstanding diplomatic and economic donor Beijing validate its hereditary succession, especially as it needs its aid to pull off an upcoming power transition event with sufficient fanfare, experts say. “Perhaps North Korea is in need of more time to map out a clearer succession plan,” another diplomatic source here had said last week. “Kim Jong-il’s physical condition could be another reason.” [Disinformation by Seoul after putting out line unsupported by evidence that the party conference would annoint a successor] (Shin Hae-in, “N.K. May Face Snag in Succession Plan,” Korea Herald, September 19, 2010)

North Korea lamented South Korea’s plan to send 5,000 tons of rice through the Red Cross to help the communist state recover from floods, saying the amount is too small
to feed the country's people "even for a day." On September 13, the South's Red Cross announced it will send North Korea 10 billion won ($8.6 million) in flood aid that includes rice and cement, both heavily financed by the Seoul government. Red Cross chief Yoo Chong-ha said the rice aid will be enough to feed 200,000 people for 50 days and will go to the town of Sinuiju near China, a region hit hard by downpours last month. "After the lid was removed from the box of aid, there was only 5,000 tons of rice in it," said the Tongil Sinbo, a weekly government mouthpiece released through the North's official Web site at http://www.uriminzokkiri.com. "This makes (us) suspect the guts" of those providing aid, it said. The North's Red Cross officials said earlier this week that they will accept the aid, but the shipment has yet to be arranged. The North has a population of 23 million and has relied on handouts from outside to feed its people since the mid-1990s when natural disasters and a massive famine crippled its economy. In 2006, 86.3 billion won worth of flood aid, including rice, was shipped from South Korea to North Korea, and 58.9 billion won was shipped the following year amid a detente in inter-Korean relations, according to Seoul's Unification Ministry. (Yonhap, "N. Korea Deplores Scale of S. Korea's Planned Rice Aid," September 19, 2010)

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North Korea must clearly show it is repentant for the deadly sinking of a South Korean warship if it wants Seoul to consider resuming large-scale food assistance to the communist neighbor, a senior official said. In an interview with the local MBC radio station, Vice Unification Minister Um Jong-sik said North Korea should admit to its wrongdoing, apologize and punish those involved before cross-border relations can improve. "Only when these things are done, inter-Korean relations can move forward," he said, adding that such apologetic steps are also linked to the resumption of stalled multinational talks on the North's nuclear arms programs. "Then, things like large-scale government food assistance can be carried out after the North's food situations and the state of inter-Korean relations are comprehensively assessed," he said, calling for "a clear admission of wrongdoing" over the sinking. (Sam Kim, "N. Korea Must Apologize for Ship Sinking If It Wants Large Food Aid from S. Korea: Official," Yonhap, September 20, 2010)

The government and the ruling party are known to have begun discussion of an exit strategy from the Cheonan sinking and improvement of strained inter-Korean relations. "If North Korea changes its stance in any of the issues like the nuclear issue, the Cheonan sinking, and the repatriation of South Korean POWs, the (South) Korean government will accept the various requests of the North," a ruling party source told Dong-A Ilbo. "If North Korea gives the South an appropriate cause, it can get what it wants." "On the repatriation of POWs, presidential chief of staff Yim Tae-hee almost handled the issue in talks with Kim Yang Gun, the director of the united front department of the North Korean Workers' Party, in Singapore in October last year. No deal was struck, however, because of disagreement over the number to be repatriated. We no longer stick to the Cheonan sinking." Of course, this is not the official stance of the South Korean government. President Lee Myung-bak urged North Korea to apologize in an interview with Russian state-run television aired September 10. Kim Tae-hyo, senior presidential adviser for national strategy, said Wednesday, "An apology for the Cheonan sinking should be the precondition for large-scale
humanitarian assistance to the North.” (Dong-A Ilbo, “Ruling Camp Quietly Shifting Opinions on N.K. Ties,” September 21, 2010)

This year’s defense white paper will not describe North Korea as the “main enemy” despite the sinking of the frigate Cheonan in March, an official at the Ministry of National Defense said. But the biennial defense report will depict the North as posing a grave threat to the security of the South, the official said. The white paper, which is due out in October, would mark a contrast to last year’s paper, in which North Korea was described as a “direct and serious threat.” A 1995 defense white paper had described the North as the main enemy for the first time after the communist state threatened to turn Seoul into a “sea of flames” in military talks. But the description was deleted in 2004 when former President Roh Moo-hyun was trying to engage the North. (Jung Sung-ki, “Seoul Not to Describe Pyongyang as Main Enemy,” Korea Times, September 20, 2010)

Beijing raised the stakes in its row with Japan over the arrest of a Chinese trawler captain by indicating it was suspending all Cabinet-level contact between the two countries. Its decision followed an announcement by the Ishigaki Summary Court in Okinawa Prefecture that it had granted a 10-day extended detention for the trawler captain. In Beijing, Vice Foreign Minister Wang Guangya telephoned Ambassador Niwa Uichiro to protest the extended detention. "If Japan does not immediately release the captain, China will take strong retaliatory measures," Wang told Niwa. In Tokyo, the Foreign Ministry announced that Beijing notified it last night that it was seeking to postpone a scheduled visit by 1,000 Japanese youths to China from Sept. 21 to 24. According to ministry officials, a representative of the All-China Youth Federation, that was to have hosted the trip, called the Japanese Embassy in Beijing on Sunday night and said, "It is not appropriate to hold a goodwill exchange event such as this amid the current atmosphere." (Asahi Shimbun, “China Halts Its Cabinet-Level Contacts with Japan,” September 21, 2010) In an interview with the Financial Times, PM Kan Naoto indicated he wanted to improve relations with China and was prepared to have the captain released to that end, “I think that if it is dealt with calmly, it is entirely possible this will be a temporary problem.” (Mure Dickie and Michiyo Nakamoto, “Moves to Weaken Yen Not over, Says Kan,” Financial Times, September 21, 2010) The increasingly bitter dispute between China and Japan over a small group of islands in the Pacific is heightening concerns in capitals across the globe over who controls China’s foreign policy. A new generation of officials in the military, key government ministries and state-owned companies has begun to define how China deals with the rest of the world. Emboldened by China’s economic expansion, these officials are taking advantage of a weakened leadership at the top of the Communist Party to assert their interests in ways that would have been impossible even a decade ago. It used to be that Chinese officials complained about the Byzantine decision-making process in the United States. Today, from Washington to Tokyo, the talk is about how difficult it is to contend with the explosion of special interests shaping China’s worldview. "Now we have to deal across agencies and departments and ministries," said a U.S. official who spoke on the condition of anonymity to discuss ties with China. "The relationship is extraordinarily complex." Said a senior Japanese diplomat, "We, too, are often confused about China’s intentions and who is calling the
Japanese officials said the People’s Liberation Army is responsible for the friction over the disputed island chain, known as the Senkakus in Japan and the Diaoyu islands in China. In early September, Japan’s coast guard detained the captain of a Chinese fishing trawler, accusing him of ramming a Japanese coast guard vessel. In previous crises, China’s Foreign Ministry has acted as a calming influence, but this time, Japanese diplomats said, the military led the charge. Washington signaled to Beijing on September 23 that it would back Japan in the territorial dispute. Adm. Mike Mullen, chairman of the Joint Chiefs of Staff, told reporters: “Obviously we’re very, very strongly in support of . . . our ally in that region, Japan.” (John Pomfret, “In China, Officials in Tug of War to Shape Foreign Policy,” Washington Post, September 24, 2010; p-A1)

The United States said that North Korea will continue to face strong punitive sanctions unless it abides by its commitment to denuclearize. “I think there are a whole host of things that they can do,” White House spokesman Robert Gibbs said. “The easiest thing to do would be to simply live up to the obligations that they agreed to, understanding that not living up to those obligations has seen a tightening of sanctions by the international community.” Earlier in the day, the State Department announced that Robert Einhorn, its special adviser in charge of sanctions on North Korea and Iran, will travel to Beijing on Sept. 28-30 to seek China’s cooperation in implementing sanctions on North Korea and Iran. On Monday, U.S. Secretary of State Hillary Clinton met with Chinese Foreign Minister Yang Jiechi on the margins of the United Nations General Assembly in New York, her spokesman Philip Crowley said. Crowley said China is in agreement with “our two-track strategy” of both engaging with and imposing sanctions on North Korea and Iran to dissuade them from their nuclear weapons ambitions. “These are not either/or propositions,” Crowley said. “It is both Chinese ideas on how to successfully engage both countries, at the same time reaffirming that we will continue to fully implement both resolutions.” (Hwang Doo-hyong, “N. Korea Will Continue to Face Sanctions Unless It Denuclearizes,” Yonhap, September 22, 2010)

North Korea announced it promoted three diplomats who were key negotiators with the United States, a move analysts here said may be intended to improve Pyongyang’s ties with Washington to help stabilize the communist regime ahead of the anticipated power succession. The country’s first vice foreign minister, Kang Sok-ju, was promoted as vice premier of the cabinet, according to KCNA that cited a parliamentary decree. Kim Kye-gwan, a vice foreign minister and the North’s chief nuclear negotiator, succeeded Kang, the report said. Ri Yong-ho, Kim’s deputy on the nuclear negotiating team, was promoted as vice foreign minister, it said in brief dispatches. The reports did not say whether Ri will succeed Kim as the top nuclear envoy. Ri has been a core member of North Korean delegations in negotiations with the U.S. on issues such as nuclear weapons, disarmament, human rights and missiles. Starting in 2003, Ri served as North Korea’s ambassador to Britain, Belgium, Luxembourg and then Ireland before returning to the foreign ministry in 2007 and becoming the deputy nuclear negotiator. Ri had frequently accompanied North Korean foreign ministers on their overseas trips, mostly recently in July when he traveled with Pak Ui-chun on a tour of Southeast Asia. The promotions may be signs that North Korea is willing to improve its ties with the U.S. and an attempt to keep its domestic politics stable, analysts here say. “It’s
important for North Korea to eliminate any negative influence on its domestic politics ahead of a power transfer, and as the Pyongyang-Washington ties worsened over time, they affected the stability of the leadership," said Paik Hak-soon, a senior researcher at the Sejong Institute think tank. (Yonhap, “North Korea Promotes Diplomats from Negotiating Team with U.S.,” September 23, 2010)

Seoul declined a proposal from North Korea to discuss a resumption of package tours to Mt. Kumgang on the agenda of Red Cross talks scheduled on Friday in Kaesong. North Korea on September 18 said it is sending two officials who took part in previous talks on the resumption of tours to Mt. Kumgang and asked the South to send officials accordingly, hinting that it wants to discuss the issue. The tours, which have meant much-needed hard currency for the North, have been suspended since the fatal shooting of a South Korean tourist there in 2008. But Seoul said the South Korean delegation will be headed by the Red Cross chief, who solely in charge of discussing family reunions. A Unification Ministry said, “Family reunions and resumption of tours to Mt. Kumgang are two completely separate issues.” (Chosun Ilbo, “Seoul Says No to Discussing Resumption of Mt. Kumgang Tours,” September 24, 2010)

Tony Namkung, top advisor to New Mexico Governor Bill Richardson, arrived in the North Korean capital Pyongyang, KCNA reported. KCNA did not mention the duration of his stay or the purpose of his visit in a brief report about Namkung’s arrival. He was reportedly invited by North Korea when officials with North Korea’s ambassador to the United Nations visited Richardson in New Mexico, August 2009. (Hankyore, “Richardson’s Top Adviser Visits Pyongyang,” September 24, 2010)

North Korea is pressing South Korea to restart the lucrative cross-border tours to a joint mountain resort in the communist state before the sides can resume the reunions of families separated by the Korean War 60 years ago, an official said. During the second round of Red Cross-led talks in a week in the North Korean border town of Kaesong, South Korea demanded today that the reunions take place at a Seoul-owned building inside an inter-Korean tourism complex on the communist state’s east coast. But the North demanded that South Korea first resume its cross-border tours to the complex that were suspended when a tourist from Seoul was fatally shot there in July 2008, the Unification Ministry official told reporters on the condition of anonymity. “We have made it clear time and again that we will not consider resuming the tours” until the North allows South Korea to conduct an on-site investigation into the shooting and implements an array of measures to guarantee tourist safety, he said. The South Korean official said North Korea would agree to lift its seizure of the center only if South Korea resumed the tours, which won the cash-strapped communist country millions of U.S. dollars each year before they were suspended. “North Korea is tying the family reunions to the tours so it can pressure us into resuming the cross-border project,” the official said, adding that the prospect of resuming the tours has been further dimmed by the sinking of South Korea’s Cheonan warship. “The North’s stance is all or nothing. It is not even interested in opening just the family reunion center. It is repeating that all the facilities will open if the tours restart,” the official said. (Sam Kim, “N. Korea Presses S. Koprea to Resume Cross-Border Tours: Official,” September 24, 2010)
At the United Nations General Assembly in New York, Obama delivered a speech that outlined a new foreign policy initiative focusing on promoting human rights and democracy around the world. The U.S. leader denounced North Korea’s rights violations and compared Kim Jong-il’s regime to other tyrannies around the world. “Human rights have never gone unchallenged - not in any of our nations and not in our world,” Obama said. “Tyranny is still with us - whether it manifests itself in the Taliban killing girls who try to go to school, a North Korean regime that enslaves its own people or an armed group in Congo-Kinshasa that use rape as a weapon of war.” Meanwhile, a senior White House official made clear yesterday that North Korea’s handling of the aftermath of the Cheonan’s sinking is key. “With regard to North Korea, we are looking to see the North take steps to address the grievances of the South in the wake of the Cheonan; that is a critical first step before there can be any sort of multilateral process,” Jeffrey Bader, senior director for Asian affairs at the National Security Council, said. “And then we would want to see some kind of behavior or manifestations by the North that indicate a sincerity about denuclearization.” (Ser Myo-ja, “Obama Slams Human Rights in North,” JoongAng Ilbo, September 25, 2010)

Okinawa prosecutors said they will release the captain of a Chinese fishing trawler whose arrest sparked a diplomatic row that escalated into China’s halt of rare earth exports crucial for Japan’s high-tech industries. “Considering the effects on the people of Japan and the future of Japan-China relations, we decided that it would not be appropriate to continue the investigation by maintaining the detention of the suspect any further,” Suzuki Toru, deputy public prosecutor at the Naha District Public Prosecutors Office, said at a news conference. Zhan Qixiong, 41, was arrested on September 8 after his trawler collided with two Japan Coast Guard vessels in waters near the disputed Senkaku Islands. Officials at the Supreme Public Prosecutors Office said the decision to release Zhan was made solely by prosecutors and no pressure had been applied by the prime minister’s office. In Tokyo, Chief Cabinet Secretary Sengoku Yoshito and Justice Minister Yanagida Minoru also said there was no political interference in the decision by Naha prosecutors. “We received a report from (the district public prosecutors office) that the suspect would be released without a decision on whether to indict as a result of having completed their investigation,” Sengoku said at a regular news conference. “We accepted their decision.” However, prosecutors rarely hold news conferences to explain their actions, let alone talk about diplomatic relations. Hiranuma Takeo, head of the Sunrise Party of Japan, said the developments Friday will end up strengthening China’s position on the islands. “Releasing the captain could be interpreted as Japan implicitly recognizing China’s territorial claim,” Hiranuma said. Tanigaki Sadakazu, head of the opposition Liberal Democratic Party, implied that the ruling Democratic Party of Japan’s presidential election created a political vacuum that allowed the issue to spin out of control. “It is unconceivable that prosecutors would refer to (the effects on diplomacy). The government must fulfill its responsibility to explain what happened,” he said. A Chinese government source said yesterday that Beijing resorted to the harsh measure of stopping all exports of rare earth metals to Japan because “Japan had crossed over the red line.” (Asahi Shimbun, “Prosecutors to Release Trawler Captain,” September 25, 2010)
KCNA: “General Secretary Kim Jong Il on Monday issued Order No. 0051 on promoting the military ranks of commanding officers of the KPA. He said in his order that all the servicepersons of the People’s Army and people are now significantly celebrating the 65th anniversary of the founding of the Workers’ Party of Korea with unbounded reverence for President Kim Il Sung who made a new history of building a revolutionary party in the era of independence and strengthened and developed the WPK into vanguard ranks of revolution with high prestige and invincible might.

Expressing the firm belief that the commanding officers of the KPA who have grown up under the care of the party and the leader would creditably discharge their honorable missions and duties as the mainstay and main force of the revolution in accomplishing with arms the revolutionary cause of Juche which started in Mt. Paektu, remaining true to the Party’s leadership in the future, too, he issued an order on promoting the military ranks of KPA commanding officers on the occasion of the 65th anniversary of the glorious Workers’ Party of Korea. It is noted in the order that the military ranks of Kim Kyong Hui, Kim Jong Un and Choe Ryong Hae and three others are promoted to general, the military rank of Ryu Kyong to colonel general, the military ranks of Ro Hung Se and Ri Tu Song and four others to lieutenant general and those of Jo Kyong Jun, Jang To Yong and Mun Jong Chol and 24 others to major general.”


China issued an unprecedentedly strong condemnation against North Korea in the aftermath of the North’s nuclear test in October 2006. Characterizing Pyongyang’s move as a “flagrant” (“hanran” in Chinese) act surprised even some Chinese experts on North Korea who couldn’t believe their foreign ministry would use such an “undiplomatic” term. It turned out that the term was not decided by the foreign ministry, but was given from “above,” according to a source familiar with the situation. “The foreign ministry had to use the term because it was the expression used by the top leadership, which was very angry about the North Korean nuclear test,” the source said. “The foreign ministry just carried out the instruction.” “Based on my research, the senior Chinese leadership tends to listen more to the opinions of Zhonglianbu pertaining to the matters on the Korean Peninsula,” said Linda Jakobson, director of the China and Global Security Program at the Stockholm International Peace Research Institute (SIPRI). “Zhonglianbu” stands for the International Department of the Central Committee of the Communist Party of China. The title is so long that even foreign scholars of China prefer to go by its shortened Chinese moniker. Party in China and other political parties abroad. This party-to-party relationship has been the particularly pronounced backbone of maintaining China’s traditional ties with North Korea through the latter’s Workers’ Party. The heads of Zhonglianbu and the Workers’ Party are usually privileged to see the top leader of the other country during their visits. For example, in February, Hu Jintao greeted Kim Yong-il, director of the Workers’ Party’s International Department, and remarked, “The Sino-North Korean friendship is a precious wealth of the ‘two parties’ and two peoples.” In August last year, Wang Jiarui, director of Zhonglianbu, visited Pyongyang and met personally with Kim Jong-il, delivering Hu Jintao’s oral message. In understanding China’s posture toward North Korea, Jakobson said, there is a key figure worthwhile to take notice of. “State Councilor Dai Bingguo is a central person,” she said. Dai used to be the head of the Zhonglianbu before he was promoted to serve as state councilor, a powerful position
within the executive organ of China’s central government, as a national security advisor to Hu Jintao. “But Dai is not playing the role of ‘China’s Henry Kissinger’ in coordinating China’s foreign policy on the Korean Peninsula because he doesn’t have the independence that U.S. President Nixon gave to Kissinger. That’s the big difference,” said Jakobson. Above Dai, there is the nine-member Politburo Standing Committee of the Communist Party of China, which includes Hu Jintao, Wu Bangguo and Wen Jiabao. (Sonny Lee, “Who Decides China’s Policy on N.K.?“ Korea Times, September 27, 2010)

9/28/10  KCNA: “General Secretary Kim Jong Il was reelected as general secretary of the Workers’ Party of Korea at the conference of the WPK convened at a historic time when a signal turn is being effected in carrying out the revolutionary cause of Juche, the cause of building a thriving socialist nation.” (KCNA, “Kim Jong-il Reelected as General Secretary,” September 28, 2010)

North Korea’s state news agency reported that Kim Jong Il’s son, Kim Jong Eun, took his first positions within the ruling Workers’ Party, where he’ll need to build a base of support among members who might question his age or experience. He was named vice chairman of the Central Military Commission, which had previously had just eight members, including his father, and to the party’s Central Committee. The jobs, in addition to his appointment to a top military position the day before, underscore the Young General’s accelerated rise: This weekend, he had never been named in the North Korean news media. Now, at 26 or 27 years old, he is North Korea’s second most powerful man. One day after Kim Jong Il’s son and sister received top military positions, son Kim Jong Eun - further verifying his role as heir - took his first positions within the ruling Workers’ Party, where he’ll need to build a base of supporters among members who might question his age or experience. Even before Kim Kyong Hui received her new title, the father-to-son power transfer was a family job. Kim Kyong Hui’s husband, National Defense Commission Vice Chairman Jang Song Taek, is widely viewed as a regent for Kim Jong Eun. He could also serve as an interim ruler if the Dear Leader dies or falls seriously ill before Kim Jong Eun has adapted to his designated role. (Chio Harlan, “Kim Keeping Power in the Family,” Washington Post, September 29, 2010, p. A-10)

After weeks of escalating diplomatic tension over Japan’s detention of a Chinese fishing captain, China called on Tokyo to cooperate in resolving the messy dispute involving territorial sovereignty, compensation for damaged boats and such intangibles as wounded national pride. “China highly values China-Japan relations,” Jiang Yu, a Foreign Ministry spokeswoman, said during a regular news conference. “But safeguarding bilateral relations requires that the two sides meet halfway and requires Japan to take candid and practical actions.” After angry protests by the Chinese government – and a modest rally in front of the Japanese Embassy in Beijing – prosecutors released the captain on Friday, a move that was widely interpreted as a diplomatic victory for China and an affirmation of its growing economic might. But the release, apparently, was not enough to soothe China’s fury. Hours later, Beijing demanded an apology and compensation for the fisherman’s damaged ship as the state-run media celebrated the return of the captain, Zhan Qixiong. (After savoring an
official celebration with fireworks and pounding drums, Zhan, 41, promptly vowed to return to the disputed waters.) Prime Minister Kan of Japan, feeling the heat for his perceived bow to a longtime rival, has since rejected Chinese demands for money and an apology. For good measure, the Japanese chief cabinet secretary is asking China to pay for repairs to the damaged coast guard vessels. “Naturally, we will be asking for the boats to be returned to their original condition,” he said earlier in the week. (Andrew Jacobs, “China Softens Its Remarks in Dispute with Japan,” New York Times, September 30, 2010, p. A-12) China’s de facto ban on rare-earth exports to Japan imposed during the two countries’ diplomatic feud will propel Tokyo to seek new sources of the strategic minerals, according to Japan’s new economics and fiscal policy minister Kaieda Banri. In an interview, Kaieda called on China to lift export restrictions “as soon as possible.” Beijing has denied that it imposed any ban on rare-earth exports to Japan. Traders say, however, that shipments from Chinese ports have been repeatedly delayed without explanation, amid tensions following a clash between a Chinese fishing boat and Japan coast guard in the East China Sea. “In reality there is an export ban on rare earths,” Kaieda said. “It’s important that China stop this extremely abnormal action at the earliest possible time.” (Mure Dickie, “Japan Reacts over Rare Earths Ban,” Financial Times, September 28, 2010, p. 2)

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“As long as the U.S. nuclear aircraft carriers sail around the seas of our country, our nuclear deterrent can never be abandoned, but should be strengthened further,” DPRK Vice FM Pak Gil-yon told the U.N. General Assembly. “This is the lesson we have drawn.” Pak said, “The United States is not a defender, but a disruptor, of peace.” But he later said that Pyongyang’s official policy goal remained the eventual “denuclearization of the Korean peninsula … and the denuclearization of the world.” He said, “Our nuclear weapons are not a means to attack or threaten others, but a self-defense deterrent … to counter aggression and attack from outside.” Pak said. He added that North Korea, as a “responsible nuclear weapon state,” is ready to join international non-proliferation efforts and moves for the safe management of nuclear material “on an equal footing with other nuclear weapon states.” (Louis Charbonneau, “North Korea Vows to Strengthen ‘Nuclear Deterrent,” Reuters, September 29, 2010)

Trade between South and North Korea surged in the first half of the year despite tensions over the North’s alleged sinking of Cheonan and resulting trade sanctions by Seoul, the Korea International Trade Association said yesterday. However, the $980 million in bilateral trade between the two Koreas in the first half was exceeded by the North’s trade with China, which amounted to $1.28 billion during the same period. South Korea’s exports to the North rose 63 percent to $430 million in the January-June period from a year earlier, while North Korea’s exports to the South increased 43 percent to $550 million, according to KITA. The growth in trade was somewhat unexpected since South Korea imposed a trade ban on the North in May in response to the Cheonan sinking.

However, the Kaesong Joint Industrial Complex in the North was exempt from the trade sanctions and KITA said that Kaesong-related trade was responsible for the growth in inter-Korean trade. KITA said trade through the Kaesong increased 96 percent in the first half. Kaesong accounts for a growing role in the trade volume between the two Koreas. It accounted for 68.4 percent of inter-Korean trade in
January, but its portion increased to 90.4 percent in June as the trade sanctions started to take effect. (Jung Seung-hyun, “Inter-Korean Trade Grew despite New Sanctions,” JoongAng Ilbo, September 30, 2010) Trade between the two Koreas in the first half of 2010 totaled 980 million USD, 51.3 percent more than the 650 million dollars-worth of trade last year. North Korea’s trade with China was also up, by 16.4 percent, to $1.28 billion. North Korea’s import of South Korean goods increased by 63 percent to $430 million, while the North’s Chinese imports rose a mere 25 percent, but still totaled $930 million. 36 percent of South Korean exports to the North are raw materials for North Korean textile production, while $120 million-worth of electronics make up the second-largest export industry. Making up the largest sector, 27 percent ($250 million) of North Korea’s imports from China are made up of minerals and crude oil, while textiles make up 12 percent and base metal resources make up 8 percent. South Korean imports have also grown 43 percent, to $550 million, since last year. In comparison, Chinese imports from North Korea shrunk one percent to $340 million. Clothing and other ready-for-market textiles made up 44 percent of North Korean exports to the South, while electrical and electronic goods made up 17 percent. Coal, iron, and other key resources made up 51 percent of DPRK exports to China, while zinc and other base metals make up approximately 20 percent. (Institute for Far Eastern Studies, “Inter-Korean Trade Up 51.3% in First Half of 2010,” October 4, 2010)

The first military talks between the two Koreas in nearly two years yielded no fruitful result, only reaffirming their differences over the March sinking of the corvette Cheonan. During the talks that lasted for one hour and 40 minutes, North Korea restated that it could not accept the result of the Seoul-led multinational probe and renewed its call for the South to allow its inspection team to verify the investigation result. Col. Moon Sang-gyun of the South and Col. Ri Son-kwon of the North represented the two sides. “During the talks, we strongly urged the North to acknowledge its responsibility, apologize, punish those responsible for the sinking and take measures to prevent a reoccurrence,” said the Ministry of National Defense in a press release. “We also urged the North to immediately stop military threats and provocative acts near our territorial waters and halt activities denouncing and smearing our authorities.” The North Korean side also called on South Korean civic groups to stop sending anti-North leaflets into its territory, according to the ministry. It also argued that South Korean naval ships have been violating the maritime military demarcation line. (Song-Sang-ho, “Koreas Remain Divided over Cheonan Sinking,” Korea Herald, September 30, 2010) In working-level talks, South Korean officials, as they had vowed, urged their counterparts to admit to the attack, apologize for it and punish those behind the incident. They also called on Pyongyang to “immediately stop its military threats and aggressive behaviors at maritime borders,” according to the defense ministry. DPRK officials, on the other hand, rejected findings of a Seoul-led multinational probe in May that pointed finger at the DPRK as a culprit. They insisted on sending their own inspectors to look into the findings by international investigators. After two hours of sharp confrontation, the two Koreas failed to set a new date for the next round of talks, Yonhap News Agency reported, citing an unidentified defense ministry source. (Xinhua, “S. Korea, DPRK Fail to Make Progress at Military Talks,” September 30, 2010) The North sent a telephone message in the morning, saying that it had agreed to hold the talks on the date suggested by the South, the
ministry said. The first talks in nearly two years will be held at the Peace House, managed by the South, at 10 a.m. “At the working-level meeting, we will deal with overall issues both the South and the North have proposed,” said a ministry official on condition of anonymity. A told of 46 rounds have been held since 2000, the last in October 2008. (Song Sang-ho, “Koreas to Hold Military Talks,” Korea Herald, September 29, 2010)

President Lee Myung-bak is considering nominating Kim Sung-hwan, his aide for security and diplomatic affairs, as foreign minister, an unnamed government official said. (Shin Hae-in, “Presidential Aside Likely to Become Foreign Minister,” Korea Herald, September 30, 2010)

Some presidential aides reportedly recommended an outside figure without career experience at the ministry, like Seoul’s ambassador to Beijing, Yu Woo-ik, for foreign minister. The president’s choice of Kim is seen as aimed at maintaining stability on the diplomatic team, while pursuing a gradual reform of the ministry, according to the report. A native of Seoul, the foreign minister-designate majored in economics at Seoul National University. He entered the ministry in 1977 after passing a state exam. He briefly worked as vice foreign minister in early 2008 after serving as Seoul’s ambassador to Austria for two years. He was Seoul’s top envoy to Uzbekistan from 2002-2005. He previously spent much of his career dealing with North American and European affairs. (Korea Herald, “Lee Names Security Aide as Foreign Minister,” October 1, 2010)

South Korea has been financially supporting secret reunions in third countries, a unification official said. “The Unification Ministry offers privately arranged reunions for up to 4 million won ($3,500) and provides an additional half million won to help the reunited families keep in contact,” Lee Sang-ho, an official of the Separated Families and Humanitarian Cooperation Division at the Unification Ministry, told the Korea Times. Of the 4 million won, one million won covers the cost to locate displaced family members in the North and the remaining three million won is spent on travel expenses and payments to brokers in arranging the clandestine family reunions. The government pays twice the amount to low income earners, family members of prisoners of war or those kidnapped by the North. Despite the subsidies, which have been available since 2000, the number of applicants has significantly decreased, partly due to heightened military tensions in the Korean Peninsula after the Lee Myung-bak administration took office in early 2008. The number of recipients of the fund has dropped to 25 last year from 136 in 2005, according to an analysis of data Rep. Hong Jung-wook of the governing Grand National Party (GNP) obtained from the Unification Ministry. The 40-year-old lawmaker agrees that the decline in the private reunions is linked to higher brokerage fees reflecting the current inter-Korean situation. Nearly all private reunions take place outside the communist North, without receiving approval from Pyongyang, and the average brokerage fee nowadays is twice or more than the government subsidies, according to sources. “It costs roughly 2 million won to bribe North Korean border guards and related officials so they overlook a North Korean crossing the border into China, but five times more if the person is a prisoner of war or is on the government watch list,” a head of a North Korean aide group headquartered
in Seoul said. Of the 128,129 people who have applied for formal reunions with their families in the North, more than 44,444 have died as of Aug. 31. Since 1985 only 1,780 of the applicants have been able to meet their families through official family reunions, which usually cost 100,000 won or less. The Unification Ministry estimates that there are some 700,000 people who have family members left in the North, an official said. (Lee Tae-hoon, “Up to $7,000 Paid for Secret S-N Reunions,” Korea Times, October 1, 2010)

KCNA: “The north-south military working talks were held in the south side’s portion of Panmunjom on September 30 in connection with the fact that the south Korean conservative bellicose forces’ scattering of anti-DPRK leaflets and their intrusion into the territorial waters of the DPRK side have reached a grave phase. Senior Colonel of the KPA Ri Son Gwon, head of the delegation of the DPRK side, said that serious problems which can never be overlooked have cropped up recently in implementing the military agreements that were adopted between the two sides according to the historic June 15 joint declaration and the October 4 declaration, a program for carrying it out. The south side perpetrated provocations against the DPRK recently by instigating conservative diehard reactionary organizations to massively scatter leaflets in the western sector of the front including Rimjin Pavilion in Phaju City of Kyonggi Province and Kanghwa Islet and the central sector of the front including Cholwon area of south Korean Kangwon Province, etc. These provocations are lashing the army and people of the DPRK into fury and the artillery units of the DPRK in the front areas, in particular, are getting fully ready to strike the spotted centers for scattering leaflets. Then he accused the military authorities of the south side of infiltrating a great many warships belonging to the second fleet of the puppet navy and even those belonging to the Maritime Police into the territorial waters of the DPRK side. He also denounced them for letting them stand in confrontation with the DPRK’s guard craft on routine duty, unhesitatingly perpetrating such grave provocations as threatening the safety of their seamen. He strongly urged the south side to apologize for the provocations committed by it against the DPRK on the ground and in the sea at a time when the inter-Korean relations are at serious crossroads and severely punish their chief culprits and take responsible measures to prevent the recurrence of the above-said provocations. …In this context the head of the delegation of the DPRK side clarified its following principled stand: The authorities of the south side have not yet complied with the DPRK’s proposal for sending an inspection group of the National Defense Commission of the DPRK to the scene of the incident because they feel fearful of the grave crimes committed by them and afraid of the disclosure of them. The same can be said of “discontinuation of criticism of authorities” and “halt to escalating the tension in the West Sea” raised by the south side. Had they respected and implemented the June 15 joint declaration and the October 4 declaration, a program for implementing it, the issue of “criticizing authorities” would not have cropped up and had the south side not turned down the DPRK’s just proposal for establishing a special zone for peace and cooperation in the West Sea as specified in the October 4 declaration, in particular, armed conflicts and the escalation of tension in the said waters would not have occurred. In closing the DPRK side pointed to the principled matters arising in defusing tension on the Korean Peninsula and achieving peace and prosperity common to the nation. If the south side fails to immediately stop the
provocations being perpetrated by it against the DPRK on the ground and in the sea, it will not be able to evade the responsibility for the ensuing disastrous consequences, it warned. (KCNA, “North-South Military Working Talks Held,” September 30, 2010)

China released three of the four Japanese citizens it had detained for allegedly trespassing on and videotaping a restricted military zone. The release of the three Fujita Corp. employees came 11 days after their detention in Shijiazhuang, Hebei Province, the Japanese Embassy in Beijing quoted the Chinese Foreign Ministry as saying. The fourth, Sadamu Takahashi, 57, an employee of the second-tier construction firm’s Chinese subsidiary, is still being held for investigation, according to the embassy. Japan’s Ambassador to China Uichiro Niwa met Chinese Assistant Foreign Minister Hu Zhengyue, who notified the envoy the three would be released at 10 a.m. after “admitting to their illegal activities and offering a written apology,” according to the embassy. (Seki Yasuhari, “China Frees 3 Japanese; 1 Still Held,” Yomiuri Shimbun, October 1, 2010)

In a clear sign of a thaw of tension on the Korean Peninsula, the two Koreas will hold the reunions of families separated by war for the first time in a year inside the communist North later this month, an official said. The agreement to hold the temporary reunions of 100 families from each side from October 30 to November 5 at the eastern Kumgang mountain resort came after two previous rounds of Red Cross talks bogged down over a spat concerning details of the event. During the third round of Red Cross talks held in Kaesong, a North Korean city near the inter-Korean border, both sides also agreed to hold another round of talks from Oct. 26-27 in the city to discuss issues to holding the reunions of the separated families on a regular basis, said Kim Eyi-do, a unification ministry official. In previous talks, the North demanded that the South first resume its cross-border tours to the resort before the Seoul-owned reunion center there could be used for the event. Seoul refused to tie the reunions to the tours, which stopped when a Seoul woman was shot dead there in July 2008 after wandering into a barred area. “The North agreed to hold the reunions unconditionally at the reunion center for this occasion,” Unification Ministry spokesman Chun Hae-sung told reporters, suggesting the North maintains it will retain its seizure of the reunion center. Chun said the North demanded today that the two governments hold direct talks to discuss ways to resume the Kumgang mountain tours, a lucrative source of money for the cash-strapped North. “We responded by saying that our side will consider the proposal,” he said. Only 20,800 family members have had a chance to be reunited since 2000 when the two Koreas held their first summit. About one-fifth of them have been reunited via video. (Sam Kim, “Koreas to Hold First Family Reunions in a Year: Official,” Yonhap, October 1, 2010)

ISIS: “ISIS has obtained new commercial satellite imagery from DigitalGlobe of the Yongbyon nuclear site in North Korea. Taken on September 29, 2010, the imagery shows new construction or excavation activity in the area surrounding the destroyed cooling tower for the 5MW reactor. However, there is no indication in the imagery that North Korea is rebuilding its cooling tower. In addition, the new excavation activity appears to be more extensive than would be expected for rebuilding the cooling tower. But the actual purpose of this excavation activity cannot be determined from
the image and bears watching.” (David Albright and Paul Brannan, “What Is North Korea Building in the Area of the Destroyed Cooling Tower? It Bears Watching,” Institute for Science and International Security, October 4, 2010) Albright said the activity could mean that North Korea is moving toward reopening Yongbyon as part of a plan to increase its stock of plutonium - now estimated at just less than 80 pounds. Then again, it could also be a move, said Joel S. Wit, a North Korea watcher and former State Department official, “for show, to pull our chains.” North Korea is well aware that its nuclear facilities are under almost constant surveillance by both intelligence and commercial satellites. Pollack said any resumption of activity at Yongbyon could be a payoff of sorts for North Korea’s military. The North appears to be in the throes of a leadership transition, with the elder Kim engineering promotions for his third son, Kim Jong Eun. “It could be a compensation package for the military,” Pollack said. Both Pollack and Wit stressed that U.S. officials would underestimate North Korea’s capabilities at their own peril. “It’s a serious mistake,” Wit said, “to believe that they are not capable of doing anything to step up their nuclear arsenal.” (John Pomfret, “Activity Spotted near N. Korean Nuclear Facility,” Washington Post, October 5, 2010)

Editorial: “As if to take advantage of Japan’s confrontation with China over sovereignty of the Senkaku Islands, Russian President Dmitry Medvedev has said he intends to visit the Northern Territories soon. Unlike the situation in the Senkaku Islands dispute, Tokyo and Moscow agreed in the 1993 Tokyo Declaration and other official documents to aim at settling the Northern Territories issue through negotiation. This is why successive Russian leaders have avoided making a visit. Russia has recently been emphasizing its claim that, as a result of World War II, ownership of the Northern Territories was transferred to the Soviet Union. The latest move is apparently aimed at highlighting Russia’s effective control over the islands and undermining the position of Japan, which regards them as an integral part of the country. But such high-handed methods will render negotiations futile. It was natural for FM Maehara Seiji to convey Japan’s apprehension to the Russian side, saying the visit could seriously undermine Japan-Russia relations. Japan should continue to strongly urge Russia to avoid the visit. The Russian side has recently moved toward a more hard-line approach to territorial problems. First, it conducted a military exercise this summer with 1,500 troops on Etorofu Island, which is part of the Northern Territories. It has also designated Sept. 2, the date on which Japan signed the instrument of surrender to the Allied Forces in 1945, the memorial day of the end of World War II. Most recently, Medvedev issued a joint statement with his Chinese counterpart, Hu Jintao, emphasizing their commitment to territorial integrity during a visit to China earlier this week. In effect, the two countries were applying pressure on Japan by confirming the legitimacy of their respective claims to the Senkaku Islands and the Northern Territories. … Former Prime Minister Yukio Hatoyama proposed the concept of an East Asian community. But he stepped down without showing how to position Japan-Russia relations within that framework. Prime Minister Kan has met with Medvedev only briefly on one occasion. Meanwhile, Chinese and Russian leaders have met as often as five times since the beginning of this year. Japan needs to rebuild its East Asia policy and must address how it intends to deal with Russia. (Asahi Shimbun, “Northern Territories,” October 1, 2010)
On the sidelines of the 8th Asia-Europe Meeting (ASEM) in Brussels, South Korean President Lee Myung-bak and Japanese Prime Minister Kan Naoto held their second summit talks this year and the first since Kan formed a new cabinet in September following an election victory. Lee and Kan "exchanged opinions on Northeast Asian security conditions, including North Korea, and agreed that the two nations will cooperate closely for a resolution to the North Korean nuclear issue," Cheong Wa Dae said. The Japanese leader asked Lee to make efforts to strengthen the "forward-looking relations between South Korea and Japan," and Lee expressed hope that the neighboring nations will move toward "a century of a bright and future-oriented relationship." (lee Chi-dong, “S. Korea, Japan Reaffirm Partnership to Resolve N. Korea Nuke Issue,” Yonhap, October 4, 2010)

With the recent collision between a Chinese fishing boat and two Japan Coast Guard vessels in waters near the Senkaku Islands, a symbol of Beijing’s newfound maritime expansion, officials in Japan are seeking ways to avoid future crises. In the event China dispatches a naval ship near the Senkaku Islands, the Japanese government has a plan drawn up that would send SDF ships to the region. A high-ranking Defense Ministry official said, "We would dispatch a destroyer." If a clear violation of Japanese territory occurs, there is the possibility that the SDF and U.S. military could act jointly to deal with the matter under Article 5 of the Japan-U.S. Security Treaty. Amid the rising tensions, defense officials from the two nations met in July at the Defense Ministry to discuss the creation of a "maritime liaison mechanism" to prevent an unexpected emergency from occurring in the East China Sea and other waters. An international emergency radio frequency already exists to allow militaries of different nations to contact each other during an emergency. However, Japan and China appear far apart, with China claiming that "Japan never responds" and Japan saying, "We should understand if China speaks to us in English." After the captain of the Chinese trawler that collided with the coast guard vessels was arrested, a Foreign Ministry official fluent in Chinese was dispatched from Tokyo to Ishigakijima Island, where the Ishigaki branch of the Naha District Public Prosecutors Office is located. The official was sent to deal with protests from officials sent to the scene by the Chinese Consulate-General. High-ranking officials of the foreign and defense ministries are well aware of the need for defense exchanges to promote both mutual understanding and the creation of a hotline to prevent misunderstanding or accidental clashes. However, a visit to Japan by a Chinese Air Force senior officer scheduled for Sept. 21 was postponed. Missed signals between Japan and China also accelerated the growing tensions. A former vice foreign minister said, "China thought the captain would be released immediately, and Japan felt no political effects would arise if domestic laws were strictly followed. Those missed signals only accumulated, and neither side could back down." While it is the job of politicians to fix missed signals, the administration of Prime Minister Naoto Kan has few individuals with close enough ties to China to unravel such a situation. Moreover, many of the important positions in government are now held by members of the DPJ group that includes Chief Cabinet Secretary Sengoku Yoshito and Foreign Minister Maehara Seiji. Group members generally take a hard-line stance toward China and have few close personal ties to Beijing. The most representative pro-China DPJ politician is Ozawa Ichiro. However, after he lost to Kan in September’s DPJ presidential election, Ozawa and his associates have been left out of any important
government or party post. One such individual is Hosono Goshi, the former deputy secretary-general. He flew to Beijing on September 29 to meet with Chinese officials. Hosono is the Japanese liaison for an exchange and discussion group set up by the DPJ and Chinese Communist Party after an agreement in 2006 between Ozawa and Chinese President Hu Jintao. Another DPJ lawmaker who was in Beijing at the same time as Hosono was Tsutomu Takamura, who was attending a ceremony to mark the 60th anniversary of accepting foreign students at Peking University, where he studied international relations. Takamura met with State Councillor Liu Yandong, who oversees educational policy, and told her, “A very difficult issue has now arisen between Japan and China. But I am confident that those in the younger generation like myself can resolve this issue. I have returned (to Beijing) because now is such a delicate time.” The fact that someone like Takamura is being depended on shows the lack of politicians within the DPJ with Chinese connections. In a speech on October 1, Maehara said about the Senkaku Islands incident, “It will be important for Japan and China to agree on measures to prevent a recurrence. We will not close off any avenues of dialogue.” (Asahi Shimbun, “Reality Check: DPJ’s Lack of China Ties Hinders Dialogue,” October 4, 2010) The diplomatic discord set off by Japan’s recent detention of a Chinese fishing trawler captain points to what foreign military officials say is a growing source of friction along China’s borders: civilian vessels plying disputed waters – and sometimes acting as proxies for the Chinese Navy. The number of Chinese civilian boats operating in disputed territory and that of the run-ins they have with foreign vessels, including warships, are on the rise, American and Asian officials say. The boats often have no obvious military connections, and none have been discovered for the trawler the Japanese detained. But foreign officials and analysts say there is evidence showing that they sometimes coordinate their activities with the Chinese Navy. China’s navy is seeking to expand a maritime militia of fishing vessels and to enhance its control over civilian agencies that regulate activities in coastal waters. The Chinese Navy uses civilian vessels in several ways. One is to command militias made of fishing vessels. Another is to coordinate operations with five maritime law enforcement groups that have some of the same functions as the United States Coast Guard, most notably the Fisheries Law Enforcement Command, which is charged by the Agriculture Ministry with enforcing fishing bans and operates regularly in disputed waters. Some fisheries officials now go out on boats wearing uniforms and carrying firearms, said Bernard D. Cole, a former officer in the United States Navy and a professor at the National War College. (Edward Wong, “Chinese Civilian Boats Roil Disputed Waters,” New York Times, October 5, 2010, p. A-6) The two Chinese patrol ships were withdrawn October 6. (James Przystup, “Troubled Waters: Part II,” Comparative Connections, January 2011)
Jong-un is expected to start his public activities as a successor," the minister noted. "There is a possibility that North Korea would resort to provocative activities to overcome internal and external difficulties as well as hamper the G20 meeting in Seoul." (Jung Sung-ki, “N.K. May Seek Provocation ahead of G-20 Summit,” Korea Times, October 4, 2010) Former Los Alamos National Laboratory Director Siegfried Hecker, who has visited the Yongbyon complex on several occasions, said in an Oct. 20 e-mail to Arms Control Today that there is no need to construct buildings to replace the cooling tower. “They must be doing something else,” he said. Before North Korea can operate its reactor once again, it also must restore its secondary cooling loop, which was severed as part of the 2007 agreement, and prepare additional reactor fuel. Hecker said that restoring the cooling loop only requires replacing or rejoining the piping system, which “could be done in days to a week.” A more time-consuming step is the preparation of fresh fuel for the reactor. North Korea still has about 2,000 fuel rods for the Yongbyon reactor left over from 1994, when the fuel fabrication facility last operated. It also has about 12,000 bare fuel rods for a larger reactor whose construction was halted that same year under a nuclear freeze agreement with the United States. A large portion of those fuel rods would need to be modified and clad in magnesium alloy before they can be used in the Yongbyon reactor. “This may take up to six months,” Hecker said, “in which time [North Korea] could easily reconstruct the cooling tower.” The Yongbyon reactor is North Korea’s sole source of plutonium for weapons, leaving its plutonium stockpile effectively capped until it is restarted. Pyongyang is believed to possess enough plutonium for four to 12 weapons. (Peter Crail, “Work at North Korea Reactor Site Unclear,” Arms Control Today, November 2010)

South Korea believes in stabilizing relations with the North through dialogue and will not link humanitarian aid with political issues, Seoul’s unification minister said. “Inter-Korean relations have been straining over the past two years due to North Korea’s measures,” Minister Hyun In-taek said during an annual parliamentary audit of government ministries. “Our government will keep to its principles, but carry out policies toward the North in a flexible manner.” He said, “Humanitarian measures will be carried out separately from political issues.” Hyun asked the North to show a “matching effort” in easing tensions. (Shin Hae-in, “Minister Separates N.K. Aid from Politics,” Korea Herald, October 5, 2010)

A North Korean jamming device capable of disrupting guided weapons poses a fresh threat to South Korea’s security, Defense Minister Kim Tae-Young told parliament. The North had imported Russian equipment to jam South Korea’s GPS (Global Positioning System) reception. "North Korea’s GPS jamming is seen as a fresh security threat" as it can disrupt guided weapons, he said. The North is thought to have been responsible for the intermittent failure of GPS receivers on naval and civilian craft along the west coast from August 23 to 25, Kim said yesterday. He also said the North was capable of jamming GPS reception over a distance of up to 100 kilometres (60 miles). “This could impose a serious threat to South Korea’s GPS-guided weapons such as missiles and smart weapons," Chae Yeon-Seok, a researcher at the state-run Korea Aerospace Research Institute, told AFP. “If GPS signals from satellites are jammed, such weapons..."
would lose directions to deliver warheads to targets," he added. (AFP, "N. Korea Jamming Device ‘A New Security Threat,’” October 5, 2010)

Chinese Prime Minister Wen Jiabao said during summit talks with President Lee Myung-bak here that there seemed to be a misunderstanding among South Koreans about China after the Cheonan’s sinking in March, hinting Beijing’s belief that North Korea caused it.

“I got the feeling there was a bit of misunderstanding among Koreans about China after the Cheonan incident,” Wen was quoted as saying by Lee’s top aide for public relations Hong Sang-pyo. "But China has approved of the U.N. Security Council’s presidential statement (which condemned the attack without mentioning who attacked the South Korean patrol ship) and has repeatedly offered condolences to the victims. We have also repeatedly condemned those who caused the incident." Wen asked Lee to understand that such measures by China were aimed at maintaining peace and stability on the Korean Peninsula, Hong said. Lee explained that he wanted to readdress the issue because such incidents should never recur between the Koreas. “(Regarding the Cheonan incident) I have tried to be unbound to the past and take a future-oriented stance,” Lee was quoted as saying by Hong. “It may seem like we are obsessing about the Cheonan, but we wanted to make it clear so that such incidents never recur between the Koreas.” (Kim So-hyun, “Wen Says Koreans Misunderstand China’s Stand on Cheonan Sinking,” Korea Herald, October 5, 2010)

North Korean leader Kim Jong-il and his son and heir apparent Jong-un visited a missile base to mark the 65th anniversary of the Workers Party on October 10, according to KCNA. It was the first media report detailing Kim Jong-un’s activities since he officially emerged as heir to the North Korean throne at an extraordinary party congress last week. South Korean intelligence officials believe that the missile base in the southeastern part of the country was where North Korea launched six Rodong and Scud missiles on July 5, 2006. According to a report by the [South] Korea Institute for National Unification, he has visited that base six times since 2000 -- either shortly before or after missile launches or nuclear tests. On March 20, 2006, just four months before the missile launch, Kim Jong-il visited the base with 10 top military officials, including his then-chief of general staff Kim Yong-chun and chief of military strategy Ri Myong-su. He visited it again on April 25 last year, the anniversary of the KPA, just 20 days after the North test fired a long-range missile. A month later, North Korea conducted its second nuclear test. “Looking at Kim Jong-il’s past actions, we cannot rule out a looming missile launch or nuclear test,” said a South Korean intelligence official. (Chosun Ilbo, “Kim Jong-il and Son Visit Missile Base,” October 6, 2010)

Ruediger Frank: Except for the Central Committee, there is not a single leadership organ where all three close relatives of Kim Jong Il hold a post. Kim Jong Un is excluded from the Politburo altogether; Kim Kyong Hui is not on the Central Military Commission; and Jang Song Thaek is only an alternate Politburo member. We could speculate that Kim Jong Il wants to prevent having too high a concentration of power in the hands of one of his relatives. He has made sure that the most crucial instruments of power are staffed with the most loyal of his followers who will be ready to walk the extra mile and fulfill his strategic decisions with all the energy of a family member and
co-owner. As was expected, Kim Jong Un has not (yet) become a member or an alternate member of the Politburo, the second-highest leading organ of the party, but did receive a high-ranking post in the WPK’s Central Military Commission. As far as we know, this is essentially the organization through which the Party controls the military, and hence the most powerful of the WPK’s organs. It is no coincidence that this commission is chaired by Kim Jong Il himself. His son comes next in the hierarchy—he is the first of the commission’s two vice-chairmen. Jang Song Thaek is a member, too, but the one with the lowest rank, so it seems. His name was listed last out of 19. Kim Kyong Hui is not a member of the Central Military Commission. On September 29, 2010, an unusually long and detailed KCNA article was published with profiles of all Politburo members. In addition, a large group picture was published that showed the delegates and the complete Central Committee, including Kim Jong Un. The photo rather openly revealed the true hierarchy within the Party leadership; only 19 people were sitting in the front row, the others were standing. Kim Jong Un sat just one space away from his father, while Kim Kyong Hui sat five spaces away from the center. In a KCNA report on the taking of this picture, Kim Jong Un’s name came fourth after the Politburo Presidium members Kim Yong Nam, Choe Yong Rim and Ri Yong Ho. Kim Kyong Hui was number 18, and Jang Song Thaek was number 23 on that exclusive list of 33 leaders. A total of 14 department directors of the Central Committee were appointed, among them Jang Song Thaek and Kim Kyong Hui. However, contrary to predictions by many analysts, Kim Jong Un does not seem to have been appointed director of the Organization and Guidance Department (OGD), a post his father held before he was announced as Kim Il Sung’s successor. This could be due to a number of reasons. Either, Kim Jong Un already effectively held that post—we may not know since the last time such positions were given officially was 1980—or the division of labor (and power) within the party has changed, for example in the context of the Military First Policy. In that case, the OGD post may simply not be as important as it used to be. This would imply that the Central Military Commission now makes all the important appointments, and the OGD is merely an administrative unit like any human resources department. As early as 2008, it seemed likely that the role of the Party would be strengthened substantially. The restoration of the WPK’s formal power organs and the many biographical details that were provided on the top leadership circle, including the group photo, indicate that the new leader will not be as autocratic as his predecessors. The new leadership will have more faces; we could observe something similar a few months ago in the case of the National Defense Commission. This is the reflection of a trend, not a spontaneous event: What seems most notable is the renewed emphasis on Kim Il Sung as the sole source of legitimacy in North Korea. Kim Jong Il is not going to replace him, which would have been a precondition for the perpetuation of the current system of leadership. Therefore, in a sense, Kim Jong Un and all those who come after him will be, like Kim Jong Il, successors of Kim Il Sung. The message of support from Hu Jintao along with the two visits of Kim Jong Il to China before the delegate’s meeting immediately lead to the question: What type of North Korea will China support? Clearly, the last thing China wants is for North Korea to collapse. Such a situation would create a serious dilemma for Beijing. It could either do nothing and watch the U.S. sphere of influence expand right to its border, or it could actively interfere. This would instantly shatter all Chinese efforts to display itself to the carefully watching countries in the region as a peaceful giant that is a real alternative to
protection by the United States. In the end, this is what North Korea is all about—
competition between Beijing and Washington. Pyongyang knows this. A third path
may be open to China. The North has realized that the economic reforms of 2002,
which focused on agriculture and hence closely resembled the Chinese example of
1979, were in principle a good idea, but that conditions were so unlike those in China
that the results inevitably differed. In principle, the understanding that economic
reform is necessary remains but reservations against the political side effects of such
reforms have grown substantially due to the chaos that emerged in the aftermath of
the 2002 measures. Given North Korea’s structure as an industrialized economy,
reforms need to take place in industry. There is a well-established blueprint for this; we
call it the East Asian model. In short, it consists of a strong state that controls a few big
players in the economy—zaibatsu or keiretsu in Japan, chaebol in Korea, and the state
owned companies in China. A core requirement for this model to succeed is a huge
source of finance, coupled with a strong political partner that, for a while, is willing to
turn a blind eye on protectionism. The United States played that role partly for Japan,
and very strongly for South Korea. China is now willing to do this service for North
Korea under certain political conditions. Many signs point in the direction of North
Korea “returning” to the path of orthodox socialism, or at least to its East Asian version.
“Rule by the Party”—a collective with a first among equals at the top—is not only a key
component of any socialist textbook case, it is also characteristic of the Chinese model
since 1978. After two leaders of the Mao Zedong type, North Korea may now be
getting ready for one similar to the position that the current Chinese President, Hu
Jintao, occupies in China—that is, a strong leader who rules as the head of a collective.
With some luck, Kim Jong Un might even turn out to be a Deng Xiaoping—a man who
has the power and vision to use this post to initiate and execute crucial reforms.
(Ruediger Frank, “Hu Jintao, Deng Xiaoping or Another Mao Zedong? Power
Restructuring in North Korea, 38North, October 5, 2010)

10/6/10
As hereditary heir Kim Jong Eun assumes a public role in Pyongyang, appearing for
photo sessions and watching live fire drills, the Obama administration has clarified at
least one thing about its North Korea policy: Everything depends on South Korea.
Different from earlier years, when Washington sometimes twisted the arm of its ally,
U.S. officials now say that they’ll only go where Seoul wants to go. Six-party talks
should only resume, officials say, when South Korea is ready for them. As a
prerequisite for engagement, Washington wants to see improved relations between
the South and the North. In a testament to its healthiest alliance in Asia, Washington is
willing to be led. “We’ve tried to have a very consistent policy about what our
objectives are on the Korean peninsula,” said Kurt Campbell, the U.S. State
Department’s assistant secretary for East Asian affairs, who is visiting the region this
week. “First and foremost, quite frankly, is to have the closest possible partnership with
South Korea and work with them. . . . What we’ve seen, in many respects, is a
renaissance in U.S.-South Korean relations.” (Chico Harlan, “U.S. Won’t Push South
Korea on North,” Washington Post, October 6, 2010)

North Korea’s nuclear threat has reached an “alarming level,” according to a senior
aide of President Lee Myung-bak yesterday. “Their nuclear program is evolving even
now at a very fast pace,” said Kim Tae-hyo, the president’s secretary for national
strategy, at a forum on the future of Northeast Asia. “We have judged that North Korea is currently operating all its nuclear programs, including highly enriched uranium processing and the nuclear facility in Yongbyon,” added Kim. “It is our belief that North Korea is constantly working on making their weapons smaller, as all nations with nuclear programs wish to do, in order to produce nuclear weapons with more firepower and less plutonium,” said the presidential secretary. “When the weapons are made mobile, they will be placed in the field, and when that time comes, they could wreak immense havoc on South Korean soil wherever they are aimed,” Kim said. Presidential secretary Kim also expressed concern at the forum that the North's nuclear program could scare away other countries with a stake in the region from helping stabilize the peninsula. “The dilemma is that neighboring strong countries may not cooperate with us with faith when the Korean Peninsula may be harboring a nuclear weapon somewhere,” said Kim. (Christine Kim and Jeong Yong-soo, “North’s Nukes Reach ‘Alarming’ Level: Lee’s Aide,” JoongAng Ilbo, October 6, 2010)

The Japan Self-Defense Forces (JSDF) will take part in the two-day maritime anti-proliferation drills starting next Wednesday in the port city of Busan in South Korea. Japan would send frigates and shipborne helicopters to the exercise for role including searching and tracking, Jiji Press reported, citing officials from the Ministry of Foreign Affairs. (Xinhua, “Japan’s Self-Defense Forces to Join Anti-Proliferation Drills in S. Korea,” October 6, 2010) A large-scale military drill to prevent proliferation of weapons of mass destruction will be hosted by South Korea for the first time, according to the Ministry of National Defense. South Korea will host the drill in waters near Busan with roughly 15 other countries participating, the ministry said. The two-day drill will start on October 13, and participants will include the United States, Japan and Australia. The drill will focus on intercepting vessels suspected of shipping weapons of mass destruction with surface ships, submarines and fighter jets. Two South Korean 4,500-ton torpedo destroyers, two landing ships and four submarines will be joined by a 9,000-ton Aegis destroyer from the U.S., a 4,000-ton Japanese destroyer and Australia’s maritime surveillance patrol aircraft. “This drill will not only fulfill our duty as an official participating country of the PSI [Proliferation Security Initiative] by fully displaying our will and efforts to prevent the proliferation of weapons of mass destruction, but will heighten the status of our country as a responsible member of the international community,” said a Defense Ministry spokesperson. (Christine Kim, “Nonproliferation Brill off Pusan This Month,” JoongAng Ilbo, October 7, 2010)

Assistant SecState Campbell: “Q: Thanks for giving this opportunity. I’d like to ask first of all the relations with China. China’s rapid expansion of aggressive and sometimes uncivilized, irrational behavior is rather escalating than de-escalating, and we witnessed in March of last year the U.S. survey ship Impeccable faced similar rough situations in the South China Sea. At that time Japan saw it as a kind of a “fire across the river,” but now we have the Senkaku issue… CAMPBELL: Sorry, “fire across the river”? Q: A “fire across the river,” someone else’s incident. A Japanese way of saying. CAMPBELL: Oh, I see. … Q: So I think the Chinese expansion of maritime activity is escalating not only in actual behavior, but also in concept by saying the so-called “core interest” declared by Chinese officials. So I want to ask you: What is your interpretation of so-called “core interest” declared by Chinese government, whether you accept or
acknowledge it, and what is your recommendation for our allies that U.S. and Japan to deal with the expansion of the Chinese behavior? CAMPBELL: Takahata-san, there may be a few elements of your question that I would perhaps conceptualize differently, but let me try to answer the general scope of the question which is: How does Asia deal with issues associated with maritime security? I think as you no doubt know at the ASEAN Regional Forum earlier this year, Secretary Clinton laid out a very careful and what we think is a comprehensive approach for how to go about dealing peacefully with the issues associated with the South China Sea. We fully recognize that we are not a claimant. We have no territorial ambitions of our own. We have long-standing interests in the maintenance of peace and stability, the maintenance of peaceful commerce, and freedom of navigation. What Secretary Clinton attempted to lay out was a process, a peaceful diplomatic process whereby issues could be dealt with in a constructive manner. There’s also the case that we have seen in a variety of circumstances increases in tensions in the South China Sea and elsewhere, and I must say some of those involve incidents against fishing vessels, against other kinds of scientific craft and the like. Ultimately, we think that a process of open diplomacy and dialogue is the best way to create clear expectations and rules of the road. I will say also at the ASEAN Regional Forum, and in subsequent discussions, the United States has never once mentioned a particular country. This is a larger effort, and at the ASEAN Regional Forum, the majority of states, more than half, spoke out in support of a process where maritime security is taken very seriously by all the ocean-going states of the Asia-Pacific region. Two weeks ago in New York, also at the U.S.-ASEAN summit, very clear common statements about freedom of navigation, the importance of dealing with these disputes diplomatically and peacefully, and also some very direct discussions about the South China Sea. So that has been the primary effort and focus on the part of the United States associated with these particular issues. Now I must say, obviously in Japan, you have been focused on the issues surrounding the Senkakus. I must say, it’s obvious that this has been a very difficult issue for Japan. The United States has stated very clearly that we think, given the circumstances and developments, that Japan and Prime Minister Kan in particular and Foreign Minister Maehara handled this issue with statesmanship. And I think in retrospect, that will become clearer, and we are hopeful that recent bilateral efforts both in Europe and hopefully subsequently in Vietnam will lead to greater dialogue and I think a rebuilding of trust and ties between the two great countries of Asia, Japan and China. As both countries are increasingly reliant on freedom of navigation, freedom of the oceans, it seems to me that coming to terms with these issues will be essential going forward, and I think the United States wants to facilitate these dialogues involving a number of states in the Asia-Pacific region.

Q: John Brinsley, Bloomberg News. Since you have praised repeatedly Japan’s handling of the Senkaku dispute, is it fair to infer that you do not approve of the way China has done so? CAMPBELL: I would simply say that, obviously these circumstances have the potential to spin out of control. At critical moments, they require a leader to take stock and recognize the potential for long-term harm. I think in this circumstance that’s exactly what Prime Minister Kan did. I think he saw the potential for a dramatic degradation in relations, recognized that was not in the interest of Japan, frankly of China or other countries in Asia, and he took the necessary steps and we praised him within that context. Q: If I may pull out one of those questions on the Senkaku Islands, at the meeting in New York on September 23,
Secretary Clinton reportedly told Minister Maehara that Article V of the Security Treaty would apply to the Senkaku Islands, which are under the administration of the Japanese government. Now some members of the Japanese Diet have called for, both DPJ and opposition parties, have called for conducting a joint naval exercise between the Japanese Self-Defense Forces and U.S. land forces in the waters near the Senkaku Islands to demonstrate the strength of the alliance. Do you believe this is something that the two countries should do, if the United States would fulfill the alliance responsibilities as Secretary Gates said? Or, do you believe that U.S. forces should stay away from the Senkaku Islands, as you have repeatedly said that the U.S. government does not take a position on the territorial disputes on the Senkaku Islands?

CAMPBELL: First, let me just try to state clearly and unequivocally what the United States said. Secretary Gates, Secretary Clinton, myself, Secretary Steinberg, stated very clearly about the applicability of Article V in this circumstance. I believe that these are the strongest statements from U.S. officials in a substantial period of time. They are very clear, and they indicate a very strong and consistent policy on the part of the United States. Beyond that, my good friend Rich Armitage once said that, to be successful in these jobs to keep two things in mind: don’t answer hypotheticals, and don’t talk about currency. I’ll try to keep both those in mind as I make my way here today. I would simply say that the United States and Japan conduct exercises on a very regular basis. We will continue to do so. I don’t think there’s any question about the strength of our alliance or our mutual commitments, and I would say in the current environment, what’s most important is for cool-headed diplomacy to prevail, and that’s where I think the United States has focused in our open, public statements. …

Q: Chico Harlan from the Washington Post. North Korea-related question: With basically a week now that Pyongyang sent out multiple signals that a succession is under way, what if anything changes about policy toward them or the risk, the threat that they pose?

CAMPBELL: What we’ve tried to do is have a very consistent policy about what our objectives are on the Korean peninsula. First and foremost, quite frankly, is to have the closest possible partnership with South Korea and work with them constructively on a whole manner of issues. You will note that in the recent period we’ve been very focused on taking the necessary steps to see the Korea free-trade agreement into effect. We are also taking steps to delay OPCON transfer, a number of military exercises, very [inaudible] political engagement, and obviously preparing for the G20. So I think what we have seen in many respects is a renaissance in U.S.-South Korean relations. We have also stated quite clearly – given the outrages, frankly, that we’ve seen from the North in terms of both the sinking of the Cheonan and recent provocative steps including nuclear acts and the like – that we need to see a couple of things from the North in the period ahead if we are to see progress on both denuclearization and aid, a move toward a more peaceful environment on the Korean Peninsula. The first is that we need to see some kind, some signs of re-engagement between North and South Korea. We think that in the current environment, the most important bilateral component for resumption of dialogue has to be between the North and the South. And I will be traveling to South Korea to be in close consultation with our friends in Seoul about where that particular process stands. Second obviously is that since we’ve been down this road in the past, we need to see clear signs from the North Koreans that they are prepared to take the steps that they have committed themselves to in the past, particularly in the 2005
statement on denuclearization. Obviously there are important developments under way in North Korea. It’s probably too soon to make any judgments yet, and I’m looking forward - that’s one of the reasons why I’m here in Tokyo is to discuss what we see developing in North Korea, with both Japan and South Korea. (Assistant Secretary of State Kurt M. Campbell, Media Roundtable at the U.S. Embassy in Tokyo, October 6, 2010)

10/7/10 Assistant SecState Campbell: “Q: Sujin Chun from Joongang Daily. Welcome back to South Korea in less than three months. I have a question regarding what you said in Washington right before your trip; you said that you trust President Lee Myung-bak’s decision. Does it, did you say that in the context of the possibility of an inter-Korean summit in any sense? CAMPBELL: First of all, the critical component in terms of developments on the Korean Peninsula, in the current environment, is to see a reengagement between North and South Korea. And we have sent a very clear message that we have total trust and confidence in our partners in South Korea, and we believe that President Lee Myung-bak has managed the very challenging relationship with North Korea with statesmanship, with patience and with calm, and we feel very comfortable with South Korea in the lead. We also believe that there are some signs of dialogue and engagement between North and South, and we encourage that process to continue. Q: What will be the U.S. preconditions for having bilateral talks with North Korea and ultimately Six-Party Talks? CAMPBELL: Well, look, the first step as we have said has to be a reengagement between North Korea and South Korea. I think we are also looking for a clear and demonstrable commitment on the part of the North Koreans to fulfill their commitments that they made on denuclearization in 2005. Q: Can you draw a clear line in the sand that we must need an apology from North Korea regarding the sinking of the naval ship? CAMPBELL: I will stick with what I said: We need, we need to see a degree of reengagement between North and South Korea. The fundamentals of that really are for the South Koreans to decide.” (Assistant Secretary of State Kurt Campbell, Press Availability at the Ministry of Foreign Affairs and Trade, Seoul, October 7, 2010)

Less than a week after the appointment of a new leadership hierarchy in North Korea, the South Korean defense minister said that his country’s military would initiate a new and expanded propaganda war if provoked by the North. After six years of quiet along the border, South Korea has reinstalled 11 sets of psychological warfare loudspeakers, Defense Minister Kim Tae-young said Tuesday in Seoul. He said his ministry had switched its transmitters to the easier-to-receive AM band and was ready to send thousands of AM radios and propaganda leaflets across the border using helium balloons. A continuing balloon and leaflet campaign by South Korean civilians has angered the North Korean government, which suggests that it has been effective. The leaflets ridicule the North Korean leader, Kim Jong-il, and call for people in the North to rise up. North Korea insisted that the leaflet issue be put on the agenda of recent bilateral military talks. If the South undertakes a new propaganda war, the North has warned that its artillery will fire across the border to destroy the loudspeakers. It also said it would shut down a jointly operated industrial complex in the North Korean town of Kaesong. North and South Korea agreed in 2000 to dismantle the loudspeaker systems along the border and to stop radio transmissions. There have been no
louder speaker blasts since 2004, although South Korea made a show of putting some
speakers in place in May, after the sinking of a South Korean naval vessel, the
Cheonan, in March. Forty-six sailors were killed. The North has denied any
involvement. North Korea experts in Seoul found the timing of the statements on a
possible propaganda war by the South Korean officials to be provocative and puzzling.
“It’s not the right time for this,” said Paik Hak-soon, a North Korea scholar at the Sejong
Institute, near Seoul. “It’s an offensive by the more conservative elements in the
government.” (Mark McDonald, “South Korea Is Ready to Wage Propaganda War,

A hereditary power succession in North Korea adds to uncertainties surrounding the
impoverished communist state and must be closely watched, a senior South Korean
official said. Unification Minister Hyun In-taek did not elaborate, but his comments hint
at the jitters that his government has had since the North named its leader’s third son,
Kim Jong-un, to key political posts at a party meeting last week and gave him the rank
of four-star general. The South Korean minister said the North has made its succession
plan essentially official, but warned that “such a change innately and inevitably bears
political, economic and social uncertainties.” “The North is entering a period of major
transformation,” Hyun said in a speech at an academic forum in Seoul. “Whether the
uncertainties will be resolved, deepen or continue is something to be looked at
carefully.” (Sam Kim, “Pyongyang’s Power Succession Aggravates Uncertainties over N.
Korea: Minister,” Yonhap, October 7, 2010)

North Korea appears to be moving forward with a program to enrich uranium for
nuclear weapons, a development that would enhance its ability to produce bombs and
sell its nuclear weapons technology abroad, according to a report, “Taking Stock:
North Korea’s Uranium Enrichment Program” by the Institute for Science and
International Security. The new ISIS report, based on information gleaned from
intelligence agencies, government officials and media reports, concludes that North
Korea “has moved beyond laboratory-scale work” and is now capable of building a
“pilot plant” of centrifuges to enrich uranium. David Albright, a co-author of the report,
said that based on data about North Korea’s purchases of equipment around the
world, he believes the North could possess 500 to 1,000 centrifuges. To make enough
enriched uranium for a bomb, experts generally agree that North Korea would need
3,000. U.S. officials did not respond to requests for comment. But the presence of an
enhanced uranium-enrichment program would complicate any new moves to
negotiate with North Korea. In the past, U.S. negotiators have focused first on the
plutonium program and left the uranium-enrichment activities for later. “But this would
indicate that uranium must be included in the engagement no matter what,” Albright
said. He said that North Korea had several options as it produced more highly
enriched uranium. A supply of the material would allow North Korea to build a supply
of uranium weapons to go with its plutonium-based weapons. But it also could
combine the two to make a more powerful weapon or create a thermonuclear
device.”A growing concern,” the report added, “is that North Korea would provide
centrifuge equipment, facilities, and technical know-how or even HEU [highly enriched
uranium] to other countries or groups.” North Korea is a known weapons proliferator. It
sold a nuclear reactor to Syria, which was destroyed by an Israeli raid in 2007. It passed
nuclear equipment to Libya, and U.S. officials are concerned that it is cooperating with Burma as well on weapons-related technology. The most recent U.S. assessment on the issue did not address the question of whether the North has a program now. On Feb. 2, 2010, then-Director of National Intelligence Dennis Blair told the Senate that North Korea had a uranium-enrichment capability “in the past.” But according to Albright’s report, North Korea continued work by establishing front companies, some based in China, that bought equipment often from European companies. Albright and others have said the biggest unanswered question is the location of North Korea’s centrifuges. “The best comment,” Albright said citing a Western intelligence official, “was, ‘Look, there are thousands of sites in North Korea and it could have been any of them.’ ” (John Pomfret, “N. Korea Pressing Forward on Nuclear Program,” *Washington Post*, October 8, 2010)

The South Korean government is considering proposing talks with the North on the suspended cross-border mountain tours next month, after the reunions of separated families. “It will be very difficult to hold working-level talks between the governments on Oct. 15 as the North suggested,” a South Korean official said. “We are looking into a number of options including proposing to hold the talks after the family reunions.” The source added that if the talks are held next week, the North could use the family reunions as a bargaining chip to resume the tours. “We cannot rule out the possibility of the North using the family reunions as leverage if the talks are held on the 15th,” he said. “It is the government’s stance that a number of conditions need to be met for us to begin discussing the Mount Kumgang tours with the North.” (Kim So-hyun, “Seoul Mulls N.K. Tour Talks after Reunions,” *Korea Herald*, October 8, 2010)

Albright and Brannan: “Procurement data obtained by governments and information from Pakistan, establish that North Korea is developing centrifuges. However, determining the centrifuge program’s status and the locations of its centrifuge facilities is difficult. Known procurements for North Korea’s centrifuge program do not show whether North Korea is able to produce significant amounts of highly enriched uranium. Yet the data support that North Korea has moved beyond laboratory-scale work and has the capability to build, at the very least, a pilot-scale gas centrifuge plant. However, the procurement data do not contain consistent numbers of procured items that would indicate the construction of a 3,000 centrifuge plant, large enough to produce enough weapon-grade uranium for about two nuclear weapons per year. …Given the number of references to uranium enrichment in its announcements over the last two years, North Korea may make its uranium enrichment program a topic of discussion in future diplomatic talks, either seeking to use it as a bargaining chip or arguing that it should continue as a peaceful nuclear program. It is therefore important for negotiators to prepare now in case the gas centrifuge program becomes a major challenge at the start of any negotiations. Equally important, negotiators should focus early on obtaining a North Korean commitment that it will halt illicit procurements from abroad for its nuclear programs and end the proliferation of its nuclear technology. The latter is especially important for negotiations to establish in a verifiable manner. …The way forward must focus on moving diplomacy forward, obtaining greater Chinese cooperation, and implementing a robust international regime against North Korea’s nuclear proliferation and illicit procurement for its nuclear programs. …On
June 13, 2009, North Korea announced it would commence uranium enrichment, stating —enough success has been made in developing uranium enrichment technology to provide nuclear fuel to allow the experimental procedure. In September 2009, North Korea announced that experimental uranium enrichment had entered into the —completion phase. On March 29, 2010, North Korea stated that it would produce low enriched uranium for its own light water nuclear power reactor in the —near future in the 2010s. On June 27, 2010, a North Korean Foreign Ministry spokesman said that recent developments underscore the need for the North “to bolster its nuclear deterrent in a newly developed way to cope with persistent” U.S. hostility and its military threat. …Available information supports a start date for North Korea’s gas centrifuge program in the early 1990s.10 During the remainder of the 1990s, North Korea appears to have concentrated on acquiring model centrifuges and learning the complex processes to produce centrifuge components and the centrifuge feed gas uranium hexafluoride. In the early 2000s, North Korea acquired large quantities of raw aluminum tubes, or —pre-forms, with specifications that matched those used for the outer casing of a P2 centrifuge, a type that A.Q. Khan is known to have supplied North Korea. In addition, it acquired a wide range of other centrifuge-related equipment and materials, leading many to conclude that North Korea was planning or taking steps to build a gas centrifuge plant. According to a European intelligence official familiar with the estimates, North Korea had in the early 2000s a definitive plan to set up a centrifuge plant of about 3,000 centrifuges, which is enough to produce at least 50 kilograms of weapon-grade uranium per year or enough for 2-3 nuclear weapons per year. According to a fact sheet distributed by the CIA to Congress on November 19, 2002, the CIA had just learned of “clear evidence indicating that North Korea had begun constructing a centrifuge facility.” The CIA assessed that this plant could produce annually enough HEU for two or more nuclear weapons per year when it is finished, and it could be fully operational —as soon as mid-decade.” … Firm evidence to support the existence or schedule of the construction of a large-scale centrifuge plant did not emerge. Evidence of ongoing, large-scale procurements of sensitive centrifuge equipment and materials likewise remained missing…. The Section 721 Unclassified Report to Congress, covering the period January 1 to December 31, 2008, gave a nuanced assessment: “Although North Korea has halted and disabled portions of its plutonium production program, we continue to assess North Korea has pursued a uranium enrichment capability at least in the past. Some in the [Intelligence Community] have increasing concerns that North Korea has an ongoing covert uranium enrichment program.” … IAEA inspectors have stated that North Korea explored gas centrifuges in the 1980s but had abandoned its effort because of technological limitations. … The journalist Shyam Bhatia has alleged in his book that help on gas centrifuges was facilitated by Benazir Bhutto in 1993. Although he is subject to Pakistani charges of bias as an Indian journalist, Bhatia was Bhutto’s Oxford University classmate, and he met with her regularly afterwards. He wrote that Bhutto told him in a confidential interview the following: shortly after she became Pakistan’s prime minister for the second time in the autumn of 1993, she carried CDs containing sensitive centrifuge data to North Korea. A key part of her 1993 visit was to negotiate with North Korea’s founder, Kim Il Sung, for missile assistance.Khan had told her that Pakistan could obtain this much-needed missile technology if it provided North Korea with centrifuge technology. The data were either a sweetener or intended as payment
for the missile technology. Publicly, however, Bhutto consistently said that Pakistan paid for missile technology and did not obtain it in exchange for centrifuge technology. She was assassinated in late 2007, shortly before Bhatia’s book was published. In one interview, however, she may have hinted that Bhatia was correct. When asked about payments for missile technology, she said that Pakistan made “installments of computer disks.” … Under the cover of its missile sales to KRL, North Korea appears to have received training in making centrifuges during the early to mid-1990s. Based on A.Q. Khan’s statements, the North Korean missile experts started arriving at KRL in 1993 and 1994. They instructed KRL centrifuge engineers and technicians in manufacturing key missile parts. But North Korean trainers worked mainly in two workshops that were also producing centrifuge components and assembling and testing centrifuge subassemblies and whole centrifuges for the adjacent enrichment plant. They became interested and started asking about centrifuges. Khan has admitted that the North Korean missile experts likely gained access to sensitive areas of the workshops and acquired instruction in centrifuge manufacturing— at the time KRL was focused on the P2 centrifuge. Pakistan’s best centrifuge manufacturing engineers and technicians likely instructed the North Koreans in manufacturing and assembly procedures of the P2 centrifuge. According to a senior North Korean defector, Hwang Jang-yop, who was the architect of the regime’s Juche ideology and close to leader Kim Jong Il, North Korea and Pakistan formalized the sale for centrifuges in 1996. Hwang heard from Jun Byung Ho, a high ranking, highly decorated official who was secretary of the Workers Party department of arms and munitions industry and a Director General in the Second Economic Committee, that in 1996, Pakistan agreed to supply help on “developing enriched uranium nuclear weapons.” This agreement is believed to refer to Khan’s provision of centrifuge documents and P1 and P2 centrifuges. However, the shipment of the centrifuges was delayed for several years, even after North Korea made the necessary payments. Jun Byung Ho himself complained to Khan in mid-1998 about the delay in the delivery of the centrifuges and associated documentation. Pakistani President Pervez Musharraf confirmed in his autobiography that North Koreans were regular visitors to top-secret centrifuge facilities at the Khan Research Laboratories. He added that they received regular coaching on centrifuge technology and that Khan provided North Korea about 20 P1 centrifuges, four P2 centrifuges, and measuring equipment that would permit trial enrichment. KRL engineers also provided centrifuge control equipment and produced centrifuge-related software for the North Koreans. According to a senior U.S. official, North Korea received centrifuge manuals from KRL, and KRL experts went to North Korea, possibly training North Koreans there on centrifuges. A North Korean plane picked up the P1 and P2 centrifuges from KRL in about 2000 after delivering more missile components to KRL. North Korea approached KRL for assistance in producing uranium hexafluoride, which is the feed gas for centrifuges and is difficult to make. In the 1990s, North Koreans brought a sample of uranium hexafluoride to Pakistan and asked KRL to analyze it. KRL experts tested the sample and found that it was not pure enough for use in centrifuges. Uranium hexafluoride must be highly purified to ensure that contaminants do not interfere in the enrichment process or damage a centrifuge. To assist North Korea, KRL provided a sample of pure uranium hexafluoride that North Korea could compare to the material it would make. In addition, KRL provided a flow-meter for taking important
measurements during centrifuge testing. This flow-meter was subject to trade controls under nuclear supplier guidelines and was potentially difficult for North Korea to obtain. In addition, if supplier states detected North Korea’s attempts to procure this piece of equipment, they could have a strong, early indication of a North Korean centrifuge effort. Questions remain whether Pakistan and North Korea cooperated in obtaining restricted goods for their centrifuge programs. In the missile area, such cooperation is known to have occurred. In 1997, while living in Islamabad, Kang Thae Yun, Khan’s chief liaison and the North Korean representative to Pakistan reporting to Jun Byung Ho, brokered a deal with a Russian company to buy maraging steel for both Pakistan and North Korea, reportedly for their missile programs. ... North Korea lost direct access to KRL in the early 2000s. Under U.S. pressure, Musharaff ordered the North Koreans out of KRL and removed Khan from his position as head of KRL in early 2001. By this time, North Korea had received centrifuge designs, centrifuges, important training, and instruction manuals. ... In the spring of 2004, Pakistani government officials told the IAEA that North Korea was the source for 1.6 tonnes of uranium hexafluoride that the Khan network sent Libya in February 2001 for use in centrifuges then being supplied by the network. A subsequent U.S. Department of Energy (DOE) technical assessment concluded that North Korea had likely produced the uranium hexafluoride for Libya. This assessment included the detection of minute amounts of plutonium on the uranium hexafluoride shipping canister. DOE analysts concluded that the plutonium was produced in North Korea in Yongbyon’s graphite reactor. Over the next two years, the IAEA uncovered indications that North Korea intended on becoming Libya’s main supplier of uranium hexafluoride, in essence becoming a full-fledged state member of the Khan network, and not just a customer. The demise of the network in 2003 and 2004 ended its activities. Lack of uranium hexafluoride was shaping up as a key bottleneck in the Khan network’s operation to provide Libya with a centrifuge plant. Despite many attempts, Libya had failed to acquire its own facilities to make uranium hexafluoride. To run its centrifuge plant, Libya would need 30-40 tonnes of uranium hexafluoride per year. It was unclear how Libya would have produced or acquired such a large quantity. As an interim step, the Khan network agreed to provide Libya with 20 tonnes of uranium hexafluoride.35 But diverting uranium hexafluoride from Pakistan was not easy. With Khan removed from KRL, obtaining enough uranium hexafluoride was unlikely. The cylinder of 1.6 tonnes of uranium hexafluoride was part of this commitment. Libyan officials told IAEA investigators that they were unaware of the uranium hexafluoride’s origin in North Korea. They denied any nuclear cooperation with North Korea, although they freely admitted cooperation on missiles. Khan evidently took steps to hide North Korea’s role. The canister arrived in Libya from Pakistan in a cargo plane bringing a wide variety of centrifuge equipment. The Libyans did not know that an earlier flight brought the cylinder to Pakistan from North Korea. Bank records obtained by the IAEA added to the suspicions that North Korea provided this material. Libya sent its payment for this delivery of uranium hexafluoride through a route established by the Khan network. Although the available bank information did not show that a payment went to North Korea, payments went to a company that is linked to North Korea, implying that North Korea sold something to Libya. Deepening North Korea’s involvement, evidence emerged that the Khan network was outfitting North Korea with equipment to produce uranium hexafluoride. With North Korea seemingly interested in developing secret
uranium conversion capabilities for its own gas centrifuge program, North Korea may have decided to fund construction of these conversion facilities by supplying uranium hexafluoride to Libya. A senior U.S. intelligence official said that North Korea may have been willing to give a little to get a little. One piece of evidence was that the network used funds from Libya in 2002 to manufacture “centrifuge-related equipment” and shipped it to North Korea. If North Korea was buying from the network, the payment should have gone from North Korea to the network, not flow from Libya. What was North Korea to provide with this equipment? Suspicion fell on equipment to make uranium hexafluoride for Libya. Confirming this shipment of equipment was difficult. The network moved the goods on a circuitous route through many countries and international trade zones, making recreation of the actual route nearly impossible. Nonetheless, the equipment did move through at least two transit points in Asia known to be used to transfer items to North Korea. Another suspicious piece of information came from Pakistan. The Pakistani government said that it was missing ten uranium hexafluoride transport canisters from the same batch as the one found in Libya. Moreover, it concluded that someone had transported them all out of Pakistan, and the most likely destination was North Korea. Pakistan bought all these canisters for use in Khan’s centrifuge program. Khan and his associates might have sent the cylinders to North Korea as part of its effort to supply uranium hexafluoride to Libya. In spite of the evidence, the IAEA did not make a definitive public determination of the status of North Korea’s uranium hexafluoride production capability or its relationship to the Khan network. If the effort to build a North Korean uranium hexafluoride plant fell apart after the busting of the Khan network, it could help explain delays in a North Korean centrifuge plant, which would require similar quantities of uranium hexafluoride as the Libyan program. North Korea may have needed several more years to establish that capability on its own. … The North Korean centrifuge program did not move rapidly. With an official commencement date of 1996 to 1998, the program spent several years on laboratory scale development. A key question is: how skillful were the North Koreans in mastering the centrifuge technology acquired from Khan? Iran has encountered numerous difficulties in duplicating Khan’s centrifuges, despite all the assistance it received from the Khan network. Some experts believe that North Korea is more technically adept than Iran. … Nonetheless, duplicating gas centrifuges remains a challenging and slow task. Japanese officials stated during an interview in 2005 that they assessed North Korea had already tested prototype cascades. Similarly, South Korean officials stated in late 2005 in interviews that North Korea was likely pursuing small-scale enrichment but had encountered difficulties in building a large plant. These officials attributed part of the delay to North Korean difficulties in procuring key items abroad due to international scrutiny. Asia scholar Selig Harrison obtained indirect confirmation of small-scale development activities on a 2004 visit to Pyongyang. A senior North Korean foreign ministry official, Li Gun, told him that North Korea had a laboratory studying lightly enriched uranium, in an apparent break from long-standing denials of such a program. In an interview, Harrison added that based on his visit he believed that North Korea had some enrichment effort, but he did not believe that they were close to having a plant large enough to make highly enriched uranium. … One North Korean entity would play a key role in seeking goods for North Korea’s centrifuge program - Nam Chongang Trading Company (NCG), headquartered in the Mangyong district of Pyongyang. … Subordinate to North
Korea’s General Bureau of Atomic Energy, NCG would also play a key role in outfitting a secret nuclear reactor in Syria, which was bombed by Israel in September 2007. Its presence in Myanmar has elevated suspicions about a secret nuclear program there. During the 2000s, the man behind NCG’s purchases was Yun Ho Jin, a pleasant, former senior North Korean diplomat. The Wall Street Journal reported that Yun is believed to be the husband of the daughter of National Defense Commission member Jun Byung Ho. … In the 1980s and 1990s, Yun was based in Vienna at North Korea’s Mission to the IAEA. While at the Vienna mission, Yun was part of North Korea’s strategy to use its embassies and missions as bases to procure Western goods and technologies. In the 1980s, the Korea Lyongaksan Import Corporation, headquartered in Pyongyang’s Potonggang District, was one of the main importers for North Korea’s military industries, disguising itself as an importer for its civilian industries. Such trading companies were the communist nation’s procurement “backbone” for circumnavigating long-standing sanctions on its nuclear and military industries. Despite sanctions, North Korean entities had an easy time importing items for the country’s nuclear and military programs. Yun organized North Korean trade delegation visits to Europe to negotiate a range of purchases from European companies. Several of these purchases are believed to have ended up at the Yongbyon nuclear center; some were sent to the center’s uranium fuel fabrication plant, according to a senior IAEA official who saw the equipment when he was involved in monitoring the site in the 1990s. … Yun also worked through German and Swiss trading companies, which would in turn contact suppliers for North Korea. One of the most notorious was the Swiss trading company Kohas, which became one of North Korea’s lead procurement fronts in the late 1980s. In 2006, the U.S. Treasury Department sanctioned Kohas for links to Korea Ryongwang General Corporation, a follow-on company to the Lyongaksan Corporation. It turned out that about half of Kohas’s shares were owned by Korea Ryongwang. Yun left Vienna in the mid-to-late 1990s. When he started to work for NCG is unclear, but his shift away from diplomatic quarters signaled a new North Korean strategy to conduct significant illicit business for its nuclear program. North Korea’s procurement entities had encountered more difficulties as Western governments learned of the clandestine role of North Korean missions in Europe. As a result, Western intelligence agencies were closely monitoring North Korean missions for signs of illicit procurements. It was at this time that Yun went to NCG, basing himself in Beijing and Dandong, China. A company like NCG would be far less visible to foreign intelligence surveillance. And Yun was careful. In letters to one key German intermediary, who procured over one million dollars worth of equipment for NCG, he wrote: “I want to discuss certain matters with you by mail and not by phone. That is because letters are more reliable in a certain sense.” By 2001, Yun was buying a range of items in Germany and other European countries. He sought out small, private companies that placed orders for him with major suppliers. Suppliers sent equipment either to NCG in Pyongyang, or if a North Korean destination worried a supplier, Shenyang Aircraft Corporation, a large Chinese operation that assembles fighter planes for the Chinese military. This company has cooperated with Airbus and Boeing, providing a civilian sheen if any authorities raised questions about a supplier’s export to Shenyang. Conveniently, Shenyang had a subsidiary in the Chinese city of Dandong, across the river from North Korea, known as Shenyang Aircraft Industry Group Import &Export Co., Dandong Branch. The United States established that this
subsidiary was often just a transit point on the equipment's journey from China to North Korea. To further disguise his purchases, Yun created a new company in Dandong located about 300 meters from the North Korean border. He chose a name that, to most, would be confused with the legitimate Shenyang Aircraft subsidiary in Dandong. He added “Ltd” at the end and changed the placement of “Dandong,” arriving at Shenyang Aircraft Group Dandong Import and Export Co. Ltd. Without permission, he also used the Shenyang Aircraft logos. The sole purpose of Yun’s new company was to funnel equipment, including centrifuge goods, to North Korea. ... In 2001 or 2002, Yun managed to recruit at least one small German company, Optronic GmbH, in the Swabian town Koenigsbronn-Zang. Through this company, Yun bought a range of items for North Korea, including vacuum pumps, dial gauges, generators, gas masks, steel rotors and plates, and compressors. Although much of this equipment appeared for general use, some could have been for North Korea’s centrifuge program. In another case, Optronic sought equipment that was clearly for a centrifuge program. It bought key raw aluminum tubes for North Korean gas centrifuges in quantities large enough for thousands of centrifuges. Optronic purchased the first order of tubes from the metals trader Jakob Bek GmbH in Ulm, which in turn bought the tubes from British Aluminum Tubes Limited. German authorities learned of the aluminum tube order in September 2002, exposing NCG as well. Hans Werner Truppel, the head of Optronic, approached German customs officials about whether he needed permission to export the tubes to NCG in North Korea. Later, he changed his story and said the end user was Shenyang Aircraft, although in this case, it was likely the phony Shenyang company created by Yun. In either case, the officials told him not to export the tubes because of suspicions that the obscure North Korean company was actually providing the tubes to the North Korean nuclear program. Despite the order, Truppel did so anyway in April 2003. By the time the authorities learned about his action, the tubes were at sea on the French container ship Ville de Virgo bound for China. German authorities contacted the owner of the ship, who agreed to off-load the tubes at the nearest port. The ship docked at Alexandria, Egypt on April 12, 2003, and authorities were waiting at the dock. The tubes were soon on their way back to Germany. The authorities meanwhile had arrested Truppel. In 2004, a Stuttgart court convicted him of violating export control laws and sentenced him to four years in prison. Authorities showed the seized tubes to Horst Puetter, a URENCO centrifuge expert with long experience investigating Iraq’s and Iran’s gas centrifuge programs for the German government and the IAEA. He determined that the tubes appeared as if they would be finished into an outer casing of a P2 centrifuge. Documents seized during the official investigation showed that the North Koreans intended to acquire 220 tonnes of aluminum tubing from Truppel, enough for about 4,000 P2 centrifuges. During the same period, North Korea successfully obtained 150 tonnes of aluminum tubing with these same dimensions through an unknown agent, possibly NCG or a company affiliated with the Khan network. This tubing came from a Russian company and was enough for 2,700 centrifuges. In total, Yun sought enough aluminum tubes for 6,700 centrifuges, an amount that would imply North Korea wanted to build a large centrifuge plant. After being discovered, Yun disappeared from Germany. ... Prior to the CIA assessment in the fall of 2002, North Korea had procured at least a dozen sensitive items associated with a gas centrifuge plant from Russian, European, and Japanese suppliers, according to a senior U.S. official.60
aluminum tube order established that North Korea acquired or sought some items in quantities large enough for a centrifuge plant containing several thousand centrifuges. In addition to the aluminum tubes obtained by NCG, North Korea acquired ring magnets for use in an upper bearing of a centrifuge, epoxy resins used in assembling centrifuge parts (sold commercially as Araldite), and a range of equipment important to operating centrifuges individually or in cascades, such as vacuum pumps, valves, specialized uranium hexafluoride resistant oils, and power supplies or their subcomponents. North Korea may have also acquired a flow-forming machine usable to make centrifuge rotors, although the available information is divided on whether North Korea acquired this machine tool prior to 2003. In addition, a German company sold an electron beam welder to North Korea that could have been used in a centrifuge program. The CIA factsheet stated that North Korea also acquired “equipment suitable for use in uranium feed and withdrawal systems.” The statement seems to imply that North Korea did not buy feed and withdrawal systems; instead, it bought subcomponents of such a system such as vacuum pumps, valves, pipes, autoclaves, cold-traps, or control equipment. Such systems could be bought in their entirety on the black market, for example, from Friedrich Tinner, a key Swiss agent of the Khan network. By the early 2000s, he had sold several small feed and withdrawal systems to Pakistan and Libya. But no evidence has emerged that North Korea bought anything from Tinner. There remain suspicions that North Korea bought centrifuge goods from Khan’s associates in South Africa, which concentrated on feed and withdrawal systems, piping, and other ancillary equipment associated with a centrifuge plant. However, important items were missing that are critical to successfully building a centrifuge plant. There were no reports of procurements of maraging steel suitable for use in rotating centrifuge rotors or bellows, measuring equipment for magnets, specialized machine tools such as rotor balancing equipment, and enough frequency converters for a large plant. In addition, there were few reports about the training of North Koreans in operating specialized machine tools. North Korea’s pace of procurements appeared to slow after 2003 or 2004, partially due to increased scrutiny of its illicit trade efforts. In the mid-2000s, according to one senior intelligence official, only one additional procurement emerged that could be tied to North Korea’s centrifuge program. It was specialized oil resistant to uranium hexafluoride. Such oil is necessary to use in vacuum pumps and centrifuge bearings exposed to uranium hexafluoride. Although North Korea may have become more careful in hiding its overseas procurements, Western governments should have detected some procurements, given the large number of items that North Korea would need to procure abroad for a centrifuge plant. According to a knowledgeable European intelligence official, intelligence agencies should have detected at least the “tip of the iceberg” of many procurement efforts if North Korea had made substantial progress in finishing a centrifuge plant during the mid-2000s. Yet, they did not. … From 2007 to 2009, North Korea entities obtained state-of-the-art computer numerically controlled (CNC) machines via China needed to make centrifuge parts, according to a European intelligence official. (During this period, North Korea was seeking sophisticated equipment for missile, nuclear, and conventional military uses, such as radar and unmanned aerial vehicles). North Korea purchased spare parts for centrifuge-related equipment and bought more specialized epoxy for use in assembling centrifuges. NCG has also procured computerized control equipment used to run a plant
composed of centrifuge cascades. The equipment is dual-use, also used in the petrochemical industry, but it was the same as those acquired by Iran to run its centrifuges. NCG also acquired pressure transducers, which are used to measure the vacuum pressure in centrifuges. … Faced with great uncertainties in assessments of North Korea’s centrifuge program, the U.S. intelligence community intensely focused on the significance of the 2007 and 2008 discoveries of traces of HEU found on the aluminum tubes North Korea procured in Russia in the early 2000s and operating records for the Yongbyon nuclear reactor. North Korea gave these items to the United States during a Six Party Talks accounting of North Korea’s nuclear programs. The discoveries raised anew concerns that North Korea had a secret gas centrifuge plant operating by the mid-2000s, contradicting assessments based on its procurement data. The U.S. intelligence community, however, differed over the significance of the HEU traces. Were they produced inside North Korea? Or did this HEU originate from Pakistan’s centrifuge program and inadvertently contaminate the tubes and records? North Korea had imported Pakistani centrifuges and other Pakistani equipment such as uranium hexafluoride transport cylinders, which originated in the Pakistani nuclear complex where HEU was made. Or were they outliers that were impossible to assign a place of origin? According to a U.S. official, the data did not lead to a consensus judgment about their significance. In 2007, U.S. nuclear laboratories discovered the traces of highly enriched uranium in smelted aluminum tubing and on the surface of other tubes. These tubes were reportedly the ones obtained by North Korea that had the dimensions matching the outer casing of the P2 centrifuge. North Korea had admitted to the United States that it had acquired aluminum tubes from a Russian supplier, but it denied ever using the tubes in a gas centrifuge program. Under U.S. prodding, North Korean officials reportedly took U.S. officials to a missile facility where North Korea handed over samples of the tubes in an attempt to explain what had become of them. The next year, U.S. nuclear laboratories found traces of HEU, at least one enriched up to weapon-grade, on 18,000 pages of operating records for the five megawatt-thermal reactor at Yongbyon. North Korea provided these records to U.S. monitors as part of its declaration of its plutonium production at the Yongbyon nuclear site. The high level of enrichment increased support for excluding Pakistan as the source of the HEU. The reason for this was that such high levels of enriched uranium were unlikely to be found on Pakistani centrifuges. Almost all centrifuges in Pakistan would have traces of enriched uranium that is far below weapon-grade, which is at least 90 percent uranium 235. Only about two percent of Pakistani centrifuges enriched uranium from roughly 60 to 90 percent, so the chance was small that the roughly two-dozen P1 and P2 centrifuges that North Korea had acquired from Khan would have been involved in enriching up to 90 percent. However, other equipment came from Pakistan that could have carried weapon-grade uranium contamination, and many North Koreans were at the centrifuge workshops at Khan Research Laboratories. In addition, Pakistanis from the nuclear program are suspected to have visited North Korea. So, while the presence of weapon-grade uranium could be significant, by itself, it does not exclude Pakistan as the source. Further controversy surrounding the meaning of the HEU traces quickly emerged. One complication was that the U.S. laboratories found only a small number of particles on the aluminum and the paper records. Although analysis based on a small number of particles is legitimate, it is often subject to greater scrutiny and doubt. One finding about the
enriched uranium was intriguing. The enriched uranium lacked uranium 236, an isotope of uranium that is found in uranium that has been irradiated in a reactor, recovered from irradiated fuel, and then enriched. This meant that HEU from Russia, China, or for that matter the United States were unlikely to be the source of the HEU, since they recycled reactor uranium into their enrichment plants that produced HEU, and thus, their HEU contained tiny amounts of uranium 236. North Korea, however, would be expected to use fresh uranium in any centrifuge program. It had reprocessed irradiated reactor fuel at Yongbyon but is not believed to have recovered the uranium for reuse. But the lack of uranium 236 did not eliminate Pakistan. Although Pakistan obtained considerable quantities of uranium from China that contained uranium 236, it had also produced HEU free of any uranium 236 for many years. This uranium could have been domestically produced or possibly even imported from North Korea and then enriched at the Khan Research Laboratories. The main suspects for the HEU particles remained contamination from Pakistan or from a centrifuge program in North Korea. In a potential breakthrough, the U.S. laboratories determined the age of one HEU particle to be 3.5 years, originating sometime in 2004.70 Since Pakistani assistance had ended earlier, the finding could possibly eliminate Pakistan as a source of the HEU. Yet the analysis was not so clear. In 2008, according to a knowledgeable U.S. official, the intelligence community agreed only that the HEU particles found on the aluminum and in the paper records had been “processed” in North Korea. However, U.S. intelligence agencies differed over the interpretation of processing. Did processing mean new production of HEU, or simply that the HEU underwent a chemical reaction? Portions of the intelligence community took it to mean that North Korea produced the HEU 3.5 years earlier, evidently in a secret enrichment plant. Other stated that the definition of processing is vague and includes exposing the HEU to air and is not the same as its production, as assumed by others. Under the latter condition, the HEU could have still originated in Pakistan and arrived in North Korea on goods from Pakistan’s facility that was involved in making HEU. Moreover, some considered that one HEU particle an “outlier” and simply unexplainable as to its origin or why it was discovered on the tubes or the documents. But how did the HEU get on the tubes and on the paper, whatever its origin? North Korea is unlikely to have provided the United States with smelted tubes that actually were part of functioning centrifuges. And the operating records were at the Yongbyon nuclear center, the plutonium site. The results remain difficult to interpret. One possibility is that equipment or individuals from the Pakistani centrifuge program were at the Yongbyon site, leaving traces of HEU. North Korean personnel then could have picked up some of this HEU who then transferred it onto the documents and tubes. Another possibility is that personnel from Yongbyon went to view these contaminated tubes at a different site, where they inadvertently picked up minute traces of the Pakistani HEU and brought them back to Yongbyon and contaminated the documents. There are many other possibilities, but they all suggest a connection, perhaps indirect, between the facility holding the tubes and the Yongbyon site. In addition, the plutonium contamination on the uranium hexafluoride shipping container found in Libya in 2004 also suggests a point of intersection between the plutonium program at Yongbyon and a facility to make or store uranium hexafluoride. One intersection is a uranium conversion facility that makes both uranium hexafluoride and uranium metal for reactor fuel. Since both are made from uranium tetrafluoride, producing both in the same
facility is practicable. The enriched uranium particles remain the most direct evidence that North Korea could have enriched uranium up to weapon-grade. But the reported lack of consensus on their meaning warrants caution in reaching any conclusion about their significance. In addition, even if North Korea produced the HEU, that conclusion does not translate to North Korea having a facility able to produce weapon-grade uranium on a significant scale. Learning the locations of North Korean centrifuge sites has proven elusive. The 2002 CIA assessment reportedly included evidence for a large construction project, although the CIA did not appear to have identified a definite location. (David Albright and Paul Brannan, *Taking Stock: North Korea's Uranium Enrichment Program*, Institute for Science and International Security, October 8, 2010)

CRS: “In essence, the U.N. sanctions have resulted in several high-profile interdictions of both weapons-related shipments and luxury goods. The financial sanctions have also made it more difficult for the DPRK to operate in international markets. However, China constitutes a large gap in the circle of countries that have approved UNSC Resolutions 1718 (2006) and 1874 (2009) and are expected to implement them. … North Korea continues to use air and land routes through China with little risk of inspection, and luxury goods from China and from other countries through China continue to flow almost unabated to Pyongyang. In addition, North Korea reportedly uses from companies in China to procure items under sanction. … Several administration officials indicated to CRS that they will pursue a ‘dual track’ of sanctions and engagement with North Korea. … A number of administration officials also agreed, however, that the intensity with which they push for tough implementation of sanctions, at least in public, has been and likely will continue to be calibrated depending on whether there are positive developments or setbacks in diplomacy with North Korea. … For months, the sinking of the Cheonan caused most of the key players in North Korea diplomacy to back away from pushing 1874’s implementation. China, which appeared to be trying to protect North Korea, sought to avoid any linkage between sanctions and the Cheonan incident. The United States, South Korea, and Japan also avoided linking the issues at the United Nations for two reasons. First, the allies did not want to jeopardize the few uncontroversial steps on 1874 that were being taken, such as renewing the Panel of Experts’ mandate. Second, they worried that overtly linking the two issues would lead China to oppose any United Nations Security Council response to the Cheonan’s sinking. … One problem with financial sanctions aimed solely at North Korea’s prohibited activities, however, is that many such transactions are likely to be covert and possibly done by cash carried in a diplomatic pouch or other means. Still, if financial institutions are put in a position where they have to choose between dealing with U.S. and other Western companies or dealing with those from North Korea, they will often either refuse certain North Korea-related transactions or even close North Korean accounts – even if those accounts are for legitimate purposes. … China’s exports of luxury goods to North Korea have fluctuated each month but generally continued to rise after each UNSC resolution before falling more recently. There were spikes in exports during December of each year. The $136.1 million total for 2009 was done somewhat from $146.8 million in 2008. … The big three categories, at about $2 million each per month, have been tobacco, portable computers, and passenger motor vehicles. (Congressional
South Korea and the United States held their 42nd Security Consultative Meeting (SCM) in Washington, where they agreed to form an extended deterrence policy committee with participation from the defense ministries of both countries in order to institutionalize U.S. cooperation for providing extended deterrence. A Defense Ministry Official said that this committee “increases the sharing of extended deterrence-related information and periodically examines and evaluates the effectiveness of extended deterrence.” The official added, “Through South Korea-U.S. discussions, it formulates policy alternatives for deterring North Korean provocations and preparing for the possible threat of nuclear weapons and weapons of mass destruction.” While the committee will primarily focus on discussing the provision of the U.S. nuclear umbrella, it may also engage in discussions on providing extended deterrence-related conventional forces when needed. “To date, South Korea and the U.S. have engaged in discussions sporadically when a situation has arisen, such as a North Korean nuclear test, but in the future a permanent bi-national cooperative body will be periodically evaluating the situation and establishing measures, formulating concrete plans to enhance the effectiveness of extended deterrence,” the official said. (Hankyore, “S. Korean-U.S. to Organize a Joint Committee for Extending Nuclear Deterrence,” October 9, 2010)

“I am against the third-generation succession,” Kim Jong-nam, sporting a red sweater and sunglasses, told TV Asahi. But then Jong-nam back-pedaled, saying, “I believe there must have been some internal reasons [for Jong-un’s succession], and if those reasons exist, I think they should be followed.” When asked by the Japanese network about his being passed over despite the fact that he’s Kim Jong-il’s eldest son, Jong-nam said, “I have not had any remorse or interest in that issue, so it does not matter to me.” When asked why Jong-un was named successor, Jong-nam answered, “That was because of my father’s decision. I hope my brother will do his best for the people and their material lives. I am willing to help my brother even if I am abroad. I will help him whenever.” (Christine Kim, “Kim’s Eldest Son Breaks Silence on Brother’s Climb,” JoongAng Ilbo, October 13, 2010)

After a long wait, North Korea’s “Musudan” intermediate-range ballistic missile (IRBM), a weapon with a reported range of 2,500 to 3,000 km, has made its first public appearance. Described as a copy of the Soviet R-27 submarine-launched ballistic missile (a.k.a. RSM-25, a.k.a. SS-N-6, a.k.a. Serb), it has never been flight-tested in North Korea, as far as anyone knows. The missile showed up in a military parade in Pyongyang’s Kim Il Sung square, better noted elsewhere for the joint appearance of ailing North Korean ruler Kim Jong Il and his son and successor Kim Jong Un. (Joshua Pollack, “North Korea Debuts an IRBM,” Arms Control Wonk, October 10, 2010)

Japan’s Defense Minister Kitazawa Toshimi met with his Chinese counterpart Liang Guanglie in Hanoi, a further sign that relations have begun to thaw as government and private-sector contacts between the two countries resume. The ministerial meeting,
held on the sidelines of a regional defense ministers’ conference, was the first since the row flared over the arrest of a Chinese trawler captain after his boat collided with Japan Coast Guard vessels near the disputed Senkaku Islands on September 7. (Asahi Shimbun, “China Exchanges Getting Back to Normal,” October 13, 2010)

Two career diplomats have reportedly been shortlisted for the post of senior presidential secretary for foreign affairs and security, according to multiple sources from the presidential office. They said the two candidates are Chun Yung-woo, second vice foreign minister, and Wi Sung-lac, South Korea’s chief negotiator to the six-party talks. Sources said President Lee Myung-bak was looking for a career diplomat who could deftly handle pending foreign policy issues, including North Korea. Before assuming the second vice minister post, Chun served as a former chief negotiator to the multi-lateral talks to end the North’s nuclear program from 2006 to 2008. His knowledge of the overall nuclear program was so extensive that North Korea’s chief negotiator Kim Kye-kwan was reportedly overwhelmed by his understanding of the given issue during the six-party talks. Because of his strong credentials, some analysts forecast that Chun is more likely to be named to the key post. (Kang Hyun-kyung, “Lee Mulling over Chun or Wi for Presidential Aide,” Korea Times, October 11, 2010)

North Korea’s veteran nuclear negotiator arrived in Beijing on a trip expected to include discussions on resuming international talks on Pyongyang’s nuclear programs, a source here said. It was the first time that First Vice Foreign Minister Kim Kye-gwan has traveled to China since his promotion last month from vice foreign minister. (Yonhap, “Senior N. Korean Diplomat Visits Beijing for Talks with Chinese Nuclear Envoy: Source,” October 12, 2010) North Korea is reported to have showed positive signs toward returning to the six-party nuclear negotiations. This is according to China’s Vice Foreign Minister and top nuclear negotiator Wu Dawei after he met with his North Korean counterpart Kim Kye-gwan in Beijing. However, Dawei declined to forecast when the stalled multilateral dialogue will likely resume. (Chosun Ilbo, “N. Korea Shows Positive Signs toward Resumption of Six-Party Talks,” October 14, 2010)

A senior North Korean official criticized Japan’s policy toward Pyongyang and PM Kan Naoto’s call for “comprehensively addressing abduction, nuclear and missile issues” with the country. "(North) Korea-Japan relations did not improve because the previous Liberal Democratic Party-led government crafted a wrong (North) Korean policy with this comprehensive approach," Song Il Ho, ambassador for normalization talks with Japan, said in an interview."But the Democratic Party of Japan-led government (that came to power last year) follows that policy. Relations will not improve in such circumstances," he said. (Kyodo, “Envoy Slaps Kan’s N. Korea Policy, Comprehensive Approach,” October 12, 2010)

Zhou Yongkang, ninth-ranking member of the PRC Politburo Standing Committee, became the highest-level Chinese to attend the 65th anniversary of the KWP. He met with Kim Jong-il four times in three days and stood nearer to him that Kim Yong-nam during the military parade celebrating the anniversary. (Xinhua, “Zhou Yongkang Met with Kim Jong-il Four Times in Three Days, October 12, 2010)
A multinational maritime drill to prevent the transfer of weapons of mass destruction began in waters off Busan, South Korea, the first time Seoul has hosted such an exercise, officials said. Fourteen countries, including the United States, Japan and Australia, are taking part in the two-day exercise under a U.S.-led initiative, code-named “Eastern Endeavor 10,” Seoul’s defense ministry said. “The drill practices how to stop and search ships suspected of carrying weapons of mass destruction,” said a ministry official, adding, “The exercise scenario is not targeting specific nations, including North Korea.” About 10 ships from South Korea, the U.S. and Japan, including a 9,000-ton U.S. guided missile destroyer, USS Lassen, and two 4,500-ton Korean KDX-II destroyers, are involved in the exercise, ministry officials said. Australia sent P-3C maritime patrol planes and anti-submarine helicopters. Other nations, such as France and Canada, sent representatives and observers for the exercise. (Yonhap, “S. Korea Hosts Maritime Drill to Stop Transfer of WMDs,’ October 1, 2010)

Steinberg: “North Koreans continue to insist that they do support and agree on the implementation of 2005 statements, so that ought to provide good basis how to move forward. But based on the past, we still need some clear indication that the North is prepared to go beyond rhetoric to actual deeds and to reflect that implementation. We believe strongly that it’s in their interest. I think there’s a clear consensus among the other 5 countries In the 6 party talks that North Korea needs to demonstrate its seriousness of purpose how to make resumption of the talks meaningful and useful. And we’re very open to see the kinds of ideas that the North has about how to resume that process. We’ve always believed that diplomatic solutions would be desirable, and that there’s much in it for our concern. But the North has to understand, giving its past actions, that there’s some skepticism and therefore there’s some responsibility on their part to show that they are serious about the joint statements and that they really do want to pursue that path.” (Deputy SecState James Steinberg, Q and A at the Carnegie Endowment, October 13, 2010)

About 300 markets are doing lively business throughout North Korea despite the regime’s attempt to suppress them, according to data an intelligence agency submitted to Grand National Party lawmaker Yoon Sang-hyun of the National Assembly’s Foreign Affairs, Trade and Unification Committee. “Markets in the North are places where goods are transacted and information is exchanged at the same time, Yoon said.”They pose a threat to a regime that is hostile to markets.” The regime has tacitly allowed markets to expand to make up for the shortage of daily necessities in the wake of a botched currency reform and international sanctions, but they have boomed alarmingly. Typical examples are the Tongilgore and Jungang markets in Pyongyang. The Tongilgore Market, in Rakrang District, opened in August 2003. It has three buildings and a parking lot. The Jungang Market in Jung District is a single domed building with a parking area. There are two famous markets in South Pyongan Province: the Kangso Market, which opened in 2004, and the Doksan Market, which opened the following year. The Doksan Market is the largest center of wholesale and retail goods in the North and has played a role as a distribution point of goods from Rajin-Sonbong, Sinuiju and Wonsan. But it was reportedly closed down during a crackdown in June last year. The Chaeha Market in Sinuiju, near the Chinese border, is a distribution point for goods imported from China. Goods bought there are
North Korea urged South Korea to agree to talks on resuming their suspended cross-border tourism project "as soon as possible," an official said, adding pressure on Seoul wary of possible implications on other inter-Korean exchanges. The North made the demand in a message delivered to South Korean officials in the North Korean border town of Kaesong, the Unification Ministry in Seoul said. The North had proposed that the talks be held tomorrow, but the South has remained undecided on whether and when to hold the talks, asking the communist country to be patient in a message sent early in the week. (Sam Kim, "N. Korea Urges S. Korea to Quickly Agree to Talks on Suspended Tours," Yonhap, October 14, 2010)

North Korea is in need of about 1.5 million tons of food this year to feed its 24 million people, U.N. organizations said. Speaking to Radio Free Asia based in Washington D.C., a U.N. official said a recent field study done by the World Food Program (WFP) and the Food and Agriculture Organization (FAO) found there is a gap of roughly 1.9 million tons between the anticipated amount of food that will be produced and demand. According to the official, approximately 5.1 million tons of produce, including rice and potato, is expected to be harvested in the fall, but the whole population needs 7 million tons of food. The regime has managed to import a little over 300,000 tons of grain, still leaving it wanting for some 1.5 million tons. (Kim Se-jeong, "Food Shortage in N.K. Reaches 1.5 Million Tons," Korea Times, October 14, 2010)

When the 26-year-old third son of Kim Jong-il was named vice chairman of the central military committee of the North Korean Workers’ Party late last month, many others were promoted as well. Ri Yong-ho, the North Korean chief of general staff, advanced to vice marshal (one large star), rising to the country’s de facto No. 5 in power only a year and seven months after he became a general (four stars). In his 60s, Ri is the youngest among some 10 vice marshals in the country. Ri represents an emerging group of militarists in their 50s and 60s who are replacing those in their 70s and 80s, who have served both Kim Il-sung and Kim Jong-il. Ri is known for his extensive knowledge and skills in artillery. The new vice marshal also has close family ties with the Kims. Both Ri’s father Ri Bong-su and mother Kim Yong-suk were deeply involved in communist partisan activities with Kim Jong-il’s parents. Ri’s mother is said to have looked after Kim Jong-il when Kim’s mother Kim Jong-sook died in 1949. Hong Sok-hyong, the Workers’ Party’s newly appointed director of financial planning, also draws attention as he is burdened with the heaviest task of improving the country’s economy. Hong, 74, is known to have accumulated hands-on work experience in industries and led the country’s economic development plan in the mid-1990s when the North began to fall into its worst-ever famine. His selection appears to be focused on supply and demand control of basic commodities such as food as well as stable management of economic policies rather than reform or market opening. Hong is the grandson of
Hong Myung-hee, author of a famous novel on a Joseon Dynasty Robin Hood. Hong Sok-hyong is the only one among the North Korean power elite to come from South Korea. He studied in Moscow and worked at the North’s steel mill before being appointed to head the Cabinet’s metal industries department in 1984. Another man who appeared at center stage on Sept. 28 was 66-year-old Pak Do-chun. Hailing from the northwestern province of Jagang, Pak was named party secretary and candidate member of the Workers’ Party Politburo. Pak was standing behind Kim Jong-il to the right in the party convention photo which showed the remapped power composition in Pyongyang. Despite the lack of any special family background, the former provincial party representative has reportedly built most of his career in his native Jagang province which houses many of the North’s major defense industry facilities. Pak is therefore expected to be in charge of the munitions industry. The youngest person to grab a key post in the Workers’ Party last month was Mun Kyong-dok. The 53-year-old snatched three titles as a candidate member of the Politburo, secretary of the Secretariat and a member of Central Committee. Mun had replaced Choe Yong-rim as the top representative of Pyongyang after Choe was appointed Cabinet premier in June. Moon is also known as a self-made man who is believed to be close to Kim Jong-il’s brother-in-law Jang Song-thaek. (Kim So-hyun, “Kim Jong-un’s Entourage Brought to the Forefront,” Korea Herald, October 14, 2010)

It was Chief Cabinet Secretary Sengoku Yoshito who played the key role in thawing relations with China over the collision between a Chinese trawler and two Japan Coast Guard vessels near the Senkaku Islands. Reflecting on the incident, Sengoku said, “There was likely a wake-up effect from it all.” “There were not only negatives emerging from the incident,” Sengoku said. “We have to think about what we gained.” Politically, Sengoku likely gained the most from the incident. But insiders say he has long been the go-to guy in the government led by the Democratic Party of Japan. Those who work in the prime minister’s office say that Kan, when presented with a policy proposal, now has a habit of asking, “Has this been passed through the chief Cabinet secretary?” In the three months since assuming that post, Sengoku, a cancer survivor, has lost 2 kilograms and is smoking more. “During afternoon meetings when he was not feeling very well, his concentration seemed to ebb, and he would fall asleep on occasion,” a former senior vice minister said. But Sengoku has continued to spread his influence. He has moved in on discussions to come up with new National Defense Program Guidelines by the end of the year and has tried to cultivate personal ties with U.S. government officials. Those moves may be seen by some as an attempt by Sengoku, 64, to eventually become prime minister. (Okamoto Susumu, “Is Sengoku Yoshito Japan’s Real Prime Minister?”Asahi Shimbun, October 14, 2010) On October 14, Chinese media reported that three fisheries patrol boats had been dispatched to the region. A senior Chinese Ministry of Agriculture official was quoted as saying that the deployment was for “safeguarding national sovereignty and protecting fishermen’s legal interests.” Both Prime Minister Kan and Chief Cabinet Secretary Sengoku told reporters that JCG ships operating in the area had not reported sighting of the Chinese patrol ships. In mid-October, the Sankei Shimbun reported that Chinese sources had sounded out Tokyo about shelving the Senkaku sovereignty issues, leaving the issue for future generations to decide. In doing so, Beijing appeared to be reverting to a proposal made by Deng Xiaoping at the time of the signing of 1978 the
The KPA side at the north-south military working talks made on September 30 denounced the anti-DPRK confrontation fanatics for their wicked provocations, strongly demanding the south side severely punish the chief culprits and take responsible measures against the recurrence of similar provocations. ... In this connection, the head of the DPRK side to the north-south general-level military talks sent the following protest notice to the south side military authorities Friday [October 15]: The minister of Defense of the south side in his public appearance disclosed plans to distribute frequency-modulated radios to be used for anti-DPRK psychological broadcasting and set up large electronic displays. He even raised the issue of starting anti-DPRK loud-speaker broadcasting, groundlessly talking about provocations by someone. The anti-DPRK psychological operations openly cried out for by the defense chief of the south side are an undisguised declaration of a war against the DPRK and another unpardonable and serious military provocation to it. It does not want to see tension escalating but will never remain an on-looker to any war action or the slightest provocation threatening peace. If the south side does not halt the above-said broadcasting and the scattering of anti-DPRK leaflets, it will never be able to escape the KPA's physical strikes at the broadcasting means and leaflet-scattering centers. The DPRK warns once again that its army will choose its mode of counteraction depending on the attitude of the south side. (KCNA, “N. Side Head of Military Talks Send Protest Notice to S. Side,” October 15, 2010)

South Korea and the United States are planning to open talks in Washington, D.C. on October 25 to discuss the revision of the Korea-U.S. Atomic Energy Agreement, which was signed in 1973 to regulate Seoul’s use of nuclear energy and is set to expire in 2014, a diplomatic source in Seoul said October 15. “Negotiations between the South Korean and U.S. governments on revising the bilateral nuclear energy accord will begin in Washington on Oct. 25,” said the source, asking to remain anonymous. “The two countries will also discuss ways to conduct joint study on the controversial pyroprocessing technology,” the source said, adding that Cho Hyun, South Korean deputy minister for multilateral and global affairs, and Robert Einhorn, the U.S. State Department’s special adviser for nonproliferation and arms control, will be the chief negotiators from both sides. The Korea-U.S. Atomic Energy Agreement bans the Asian nation from enriching uranium or reprocessing spent fuel due to concerns over proliferation. The allies have sought to negotiate an extension of the accord, which expires in March 2014. (Yonhap, “U.S., S. Korea to Open Energy Talks October 25: Source,” October 15 2010)

The United States said it will not lift sanctions on North Korea to lure the North back to the six-party talks on its nuclear dismantlement. “We have no intention of removing those sanctions as an enticement for dialogue,” State Department spokesman Philip Crowley said. “There are sanctions against North Korea. Those sanctions exist for very good reason -- because North Korea consistently has failed to live up to its international obligations.” Crowley was responding to remarks by North Korea’s chief nuclear envoy, Kim Kye-gwan, that Pyongyang will not return to the six-party talks.

10/16/10
DPRK FoMin spokesman: “The delegation headed by First Vice-Minister of Foreign Affairs Kim Gye Gwan visited China from October 12 to 16 at the invitation of the Ministry of Foreign Affairs of China and had an exhaustive and candid discussion on the DPRK-China relations, the resumption of the six-party talks and the regional situation, etc. The DPRK is ready for the resumption of the above-said talks but decided not to go hasty but to make ceaseless patient efforts now that the U.S. and some other participating countries are not ready for them. The DPRK remains unchanged in its will to implement the September 19 joint statement adopted at the six-party talks for denuclearizing the whole Korean Peninsula.” (KCNA, “Foreign Ministry Spokesman on Its Delegation’s Visit to China,” October 16, 2010)

10/17/10
Anti-Japan demonstrations spilled over to Mianyang, in the north of Sichuan province, when more than 10,000 young protesters marched through the center of the city, demanding a boycott of Japanese products. According to unconfirmed reports, the windows of a Panasonic store and a Japanese restaurant were shattered and a Japanese vehicle was attacked. Chinese authorities deployed a heavy police presence around Japan-related facilities not only in Chengdu--hit by protests the day before--but also Beijing and Shanghai to prevent demonstrations from reigniting. (Asahi Shimbun, “Anti-Japanese Protests Continue,” October 18, 2010)

10/18/01
South and North Korea restored their aviation hotline, almost five months after it was severed by the North in the tense aftermath of the sinking of a South Korean warship. The North proposed the move, which connects the main airports in each country, Saturday through a satellite communication link, Unification Ministry spokesman Chun Hae-sung told reporters. A successful test call was put through this morning. South Korean airliners have been prohibited from using North Korean airspace, since the May disconnect. However, the two countries have held satellite communication in regards to foreign commercial aircraft doing so. (Kim Young-jin, “Two Koreas Restore Aviation Hotline,” Korea Times, October 18, 2010)

Red Cross officials from the two Koreas briefly met at a checkpoint in the North Korean border town of Kaesong and exchanged the lists of families that may be reunited, Unification Ministry spokesman Chun Hae-sung said in a briefing. (Sam Kim, “Koreas Revive Aviation Hotline: Spokesman,” Yonhap, October 18, 2010)

Pyongyang has ramped up diplomatic overtures directed at Washington that suggest it is willing to return to the negotiation table to gain crucial assistance, according to sources. The sources said that North Korean officials have extended invitations to a former U.S. envoy and other influential figures from the United States to visit Pyongyang in November, the sources said. The sources, close to negotiators in the six-party talks on North Korea’s nuclear weapons program, said Pyongyang had also
dispatched its vice foreign minister, Kim Kye Gwan, to Beijing until Saturday. The move was meant to show the North’s apparent willingness to negotiate as it forms a new leadership, which includes heir apparent Kim Jong Un. According to sources, those invited include Charles Pritchard, former ambassador and special envoy for negotiations with North Korea under former U.S. President George W. Bush, and Siegfried Hecker, former director of Los Alamos National Laboratory. In September, a group including Susan Shirk, a professor at the University of California San Diego’s Institute on Global Conflict and Cooperation visited Pyongyang, where they met with Li Gun, director for North American affairs at North Korea’s Foreign Ministry. Li told the group that Pyongyang was placing emphasis on economic policy with the intention of meeting its promise to the people to “open the door to become a powerful, prosperous nation” in 2012. The senior North Korean official stressed that Pyongyang was willing to engage in dialogue with the United States and even expressed anticipation toward U.S. companies investing in his country. (Makino Yoshihiro, “Pyongyang Signals Readiness to Talk,” Asahi Shimbun, October 20, 2010)

President Lee Myung-bak named Vice Foreign Minister Chun Young-woo his top aide for foreign affairs and national security, Lee’s spokesperson Kim Hee-jeong said. Chun will replace Kim Sung-hwan, who took office as foreign minister early this month. Kim had succeeded Yu Myung-hwan a month after Yu resigned over the Foreign Ministry’s irregularities in hiring his daughter. (Kim So-hyun, “Chun Named Lee’s Top Aide on Foreign Affairs,” Korea Herald, October 18, 2010)

China promoted its Vice President Xi Jinping to vice chairman of the Central Military Commission of the Communist Party, signaling his takeover as the party chief in 2012 and as the president in 2013. Some reports said Kim was accompanied by Xi during his tour of Jilin. There is little information on Xi’s views of North Korea. As head of a group and not an associate delegate, Xi has met the North Korean leadership only three times since 2000. Two of them were when Xi visited North Korea. Xi met with Kim Yong-nam, chairman of the Presidium of the Supreme People’s Assembly, when he visited North Korea as his first diplomatic activity since taking office as the vice president in June 2008. In July 2005, when Xi was party chief of Zhejiang Province, he led a Communist Party delegation to North Korea for talks with the Workers’ Party. In November last year, Xi met with Kim Jong-gak, first deputy director of the North Korean People’s Army general political bureau, who visited China. Xi then said Beijing “will bolster communication and coordination with North Korea.” Xi’s latest public remark on North Korea was made at a banquet to celebrate the 65th anniversary of the Workers’ Party early this month at the North Korean embassy in Beijing. “(China) will head towards the future as it continues the tradition with the new leadership of the North Korean Workers’ Party, maintain friendly relations as neighbors and strengthen the spirit of cooperation to improve ties with North Korea,” Xi said, in recognition of the hereditary power succession in Pyongyang. (Kim Su-hyun, “China, North Korea Pave Way for Future Leaders,” Korea Herald, October 20, 2010)

North Korea violated the NLL in the West Sea 211 times since 2006, “88 times in the first six months of this year, compared to 50 times last year,” the Joint Chiefs of Staff
reported to the National Assembly. (Yonhap, “North Korea Violates Western Sea Border with South Korea 211 Times since 2006,” October 18, 2010)

With no prospect of resolving the logjam over the relocation of the U.S. Marine Corps' Futenma Air Station in Okinawa Prefecture, Japan and the United States are scrapping plans for a new joint declaration on deepening the bilateral alliance during U.S. President Barack Obama’s visit next month, it has been learned. (Yomiuri Shimbun, “Obama Visit to Skip New Joint Security Declaration,” October 18, 2010)

The majority of joint ventures investing in North Korea have suffered significant losses since the South Korean government began to enforce sanctions as a result of the sinking of the Cheonan. On average, companies have incurred losses of almost one billion won, and most companies are no longer interested in investing in the North. According to the Korea Chamber of Commerce and Industry, a survey of 500 companies (200 inter-Korean economic cooperative schemes and 300 other companies involved in business with the North) showed that 93.9 percent of respondents said they had suffered losses due to trade restrictions put in place due to the Cheonan incident, while 66.5 percent responded that they faced “financial difficulty” due to the sanctions. The companies have suffered an average of 974 million won in losses. Investment and operational losses due to the “all stop” order from the government amounted to 51.9 percent of losses reported, while 26 percent of respondents pointed to a reduction in orders and 22.1 percent blamed an increase in transportation and other associated costs. One company importing anthracite from the North turned to China, Vietnam, Russia, and other vendors after inter-Korean trade was restricted, but due to each country's efforts to secure its own natural resources, this year's sales are expected to be more than 10 billion won less than that seen last year. (Institute for Far Eastern Studies, “Investors in DPRK Take Huge Hits; Interest in FDI Plummets,” October 18, 2010)

"If North Korea shows sincerity and makes a verbal pledge to implement nuclear disablement steps equivalent to 750,000 metric tons of heavy fuel oil it had received from the international community, we can accept the resumption of the six-way talks," Yonhap quoted an unidentified South Korean Foreign Ministry official [Foreign Minister] as saying. The North received the oil as one reward for actions taken through 2008 to halt nuclear weapons work. "[Pyongyang] must also allow the return of International Atomic Energy Agency inspectors or declare [a] moratorium on its nuclear facilities," the official was said to say. In past months, Seoul had said nuclear talks could only resume after the Stalinist acknowledged it carried out the March strike on a South Korean warship that killed 46 sailors. The official did not mention that demand yesterday. (Global Security Newswire, October 20, 2010)

In a move likely to draw a harsh response from North Korea, South Korea will push to come up with a plan by mid-2011 to handle the costs of unifying itself with the impoverished communist neighbor, a senior official said. In an August address, South Korean President Lee Myung-bak proposed a “unification tax” and suggested that his country begin discussions on dealing with what may be astronomical costs of merging with North Korea, an elusive decades-old national goal. Unification Minister Hyun In-
Taek said Tuesday in a meeting with civilian advisors on relations with North Korea that his government will work with a group of researchers starting next month to create a blueprint for financing the costs of reunification. "Based on the research to be completed in February next year, opinions from within the government will be collected by April, and a report will be presented to parliament by June," he said. (Yonhap, “S. Korea to Draw up Plan for Financing Reunification with N. Korea: Official,” October 19, 2010)

With approval from Chinese authorities, hundreds of North Koreans are set to cross into China to work at factories in two border cities. China decided to allow them in because of a labor shortage in the border region. Another factor is that the North Koreans are willing to work for low pay. At the same time, Pyongyang counts on foreign currency the workers will take home. A Jilin provincial official said about 100 North Koreans will work in Tumen city, in the province's Yanbian Korean Autonomous Prefecture, starting later this month. It will be the first time for the province to accept North Korean factory workers. Similarly, North Korean workers are already arriving in Dandong city in Liaoning province, according to sources. Eventually, some 1,000 North Koreans are expected to be working there. (Nishimura Daisuke, “China Gives Nod to North Korean Workers at Border Cities,” Asahi Shimbun, October 19, 2010)

Time is running out for South Korea and the US to agree a landmark trade deal by a summit of the G20 leading economies next month, with Seoul saying it will not rework the text signed in 2007 and arguing it is up to Washington to offer a "creative solution." Kim Jong-hoon, South Korea’s trade minister, said it was up to Washington to present Seoul with a compromise that could resolve the concerns of several US groups which believe the tariff-slicing deal treats their carmakers and beef industry unfairly. Mr Kim also warned that midterm elections in the US on November 2 could thwart a speedy breakthrough before the summit on November 11. “Rewriting the text is unacceptable,” Kim told the Financial Times in an interview. “Instead of complaining, the best way is to take text as signed and push it forward . . . the best way is to take it to Congress as signed.” He added: “It is the US who are complaining. They have to produce what will be their ‘creative solution’ because I do not know the nature of their complaint. “As we say in Korean, if you tie up a rope, you are the one who will have to untie it.” Kim said he had tried to persuade Korean parliamentarians to ratify the trade deal, but cautioned that they had “their own pride” and were still seeking signs of movement from the US. Carol Guthrie, for the US trade representative, said Washington “has been consulting and continues to consult with stakeholders regarding outstanding issues, and we expect talks to proceed positively.” (Christian Oliver, “Seoul Says U.S. Holds Key to Trade Deal,” Financial Times, October 20, 2010, p. 8)

The senior secretaries of all North Korea’s 11 metropolitan and provincial party committees paid a rare collective visit to a senior member of the Communist Party of China in Beijing. The North Korean delegation led by Mun Kyong-dok, the senior secretary of the Pyongyang municipal party committee, met with Zhou Yongkang, a member of the Politburo Standing Committee who ranks ninth in the hierarchy, to discuss economic cooperation. Zhou was quoted by the official Xinhua news agency as
saying it was “the first time” in the history of bilateral relations that senior secretaries of the Workers Party’s metropolitan and provincial committees have visited China as a group. “I wish that you will expand exchange with various Chinese regions you’re visiting and achieve success from your tours.” (Chosun Ilbo, “N. Korea, China Grow Ever Closer,” October 23, 2010)

North Korea appears to be preparing for a third nuclear test, Chosun Ilbo reported, just days after Pyongyang declared it was ready to return to nuclear talks. But South Korean government officials said there was no concrete evidence that the communist state was readying such a test, saying Seoul and its allies are closely watching developments related to the North’s nuclear facilities. US satellites detected movements of personnel and vehicles at the site where the North carried out its first two nuclear tests in 2006 and 2009. “Hectic movements of personnel and vehicles have recently been detected in Punggye-ri,” Chosun quoted an unidentified government source as saying. The North also appears to be restoring tunnels demolished during the first two tests, according to the source. “However, it is unlikely (the North will) carry it out soon. It is expected to take another three months (to complete preparations for a third test),” the source said. But a spokesman for South Korea’s Joint Chiefs of Staff said there was no evidence of any such preparations. (AFP, “N. Korea ‘May Be Planning Nuclear Test,’” October 20, 2010) Adding to such concerns, an unnamed government source in Seoul recently told the media that “consistent traffic of people and vehicles has been detected” around the site of North Korea’s two previous nuclear tests in 2006 and 2009. “The (Seoul) government has been detecting such movements consistently since North Korea conducted a second nuclear test in May last year,” the source said. For North Korea, the Punggyeri area, the main site of its atomic tests, is “a strategic location which is bound to have activities of maintenance,” the source added, however, indicating the moves could not be seen as definitive signs of an immediate nuclear test. Seoul’s Joint Chiefs of Staff also downplayed the possibility of North Korea conducting another atomic test any time soon. “We are closely observing the nuclear facilities in North Korea, but have not detected any clear evidence to suspect another nuclear test,” a JCS official said on the customary condition of anonymity. “Similar movements have been detected in the past, so they are not worth attaching a special meaning to.” Another analyst in Seoul said negative outside impact was “the last thing North Korea would want to stir” under the present condition.

“North Korea wants economic and political stability. For this reason, North Korea has been making a peace offensive toward South Korea and the U.S.,” said Paik Hak-soon, director of inter-Korean relations studies at Seoul’s policy think tank Sejong Institute. “Of course, we cannot overlook the possibility that North Korea might feel the need to get its nuclear capabilities recognize by the U.S. in order to restart the (six-party) talks,” Paik said. “But rationally and reasonably speaking, a third nuclear test seems very unlikely not right now, nor in the near future.” (Shin Hae-in, “Seoul Plays down Possibility of N.K. Nuke Test,” Korea Herald, October 21, 2010)

Korea Peace Forum Director General Lim Dong-won said, “We cannot continue the mistake of pushing North Korea toward China through a hardline policy, and if North Korea falls under the influence of China, peace and reunification grows that much
further." Lim went on to say, "We must treat North Korea with a more long-term vision, and I call on the Lee Myung-bak administration to stop suffering big losses for small gains and work to improve and develop inter-Korean relations." In a recent academic seminar at Inje University, Lim said it appears North Korea has begun to transition from its existing "Western policy" towards a "Northern policy" - closer ties with China and Russia. He said that entering the 1990s, North Korea confronted the post-Cold War world after the collapse of the Communist block by pushing a "Western policy" that sought survival by normalizing its relations with the United States and improving its relations with South Korea. (Lee Je-hun, “Korea Peace Forum Leader Calls for New Direction in N. Korea Policy,” Hankyore, October 20, 2010)

A U.S. reconnaissance satellite has detected signs of North Korea preparing for a nuclear test in North Hamgyong Province, where it had conducted two earlier tests in October 2006 and May 2009. A South Korean government source on Wednesday said "brisk movement" of vehicles and people has been detected in Punggye-ri recently, including signs of activity there to repair a tunnel that collapsed after the two earlier nuclear tests. However, it seems unlikely that the North will conduct a third nuclear test in the immediate future since current activities there suggest it will take "about three months" to prepare, the source added. There is speculation that the North will attempt to reach a deal with the South Korean and the U.S. governments to ease sanctions while giving the impression that it is constantly ready to perform another nuclear test. Others speculate that Pyongyang may go ahead with the test to bolster the standing of North Korean leader Kim Jong-il’s son Jong-un or to tighten controls now Kim junior has officially been established as the successor to the leadership. One South Korean security official said, "To consolidate the foundations for Kim junior’s succession, the North will continue to try to bolster nuclear weapons and missiles in line with its "Songun" or military-first doctrine and its propaganda goal to become a "powerful and prosperous nation" by 2012, the centennial of regime founder Kim Il-sung’s birth. After Kim junior was officially established as the successor to the leadership on September 29, the North’s Vice Foreign Minister Pak Kil-yon told the UN General Assembly, "Our nuclear deterrent can never be abandoned, but should be strengthened further." (Chosun Ilbo, “Is N. Korea Preparing Another Nuke Test?” October 22, 2010) The U.S. is taking a close look at recent signs of activity at North Korea’s nuclear test site following claims that the North is well on its way to developing nuclear warheads small enough to fit on a ballistic missile. There are fears that the North will conduct another test aimed at developing high-performance nuclear weapons as part of efforts to consolidate the succession of North Korean leader Kim Jong-il’s third son Jong-un and to become a "powerful and prosperous nation" by 2012. The U.S. government also suspects that ostensible test preparations are aimed at pressuring it to resume the six-party nuclear talks. A senior diplomatic source in Washington said, "There is likelihood that the North is deliberately making a show of brisk activity in Punggye-ri, North Hamgyong Province to give the impression that it could conduct another nuclear test if the U.S. won’t engage in talks within about three months." International security ambassador Nam Joo-hong said, "The North is pressed for time because of Kim Jong-il’s deteriorating health, so it’s now sending a message that it can make trouble if the others won’t come to the dialogue table as soon as possible." It would take some more nuclear tests until the North can hope for international recognition as a nuclear state.
like India or Pakistan. A South Korean security official said, "There’s enough reason for the North to conduct a third nuclear test, even if it doesn’t do so immediately." (Chosun Ilbo, “Signs of Fresh N. Korean Nuke Test Spurs Speculation,” October 22, 2010)

Bruce Klingner op-ed: “The two most critical aspects of policy toward North Korea are pressure and patience. Pyongyang has always demanded change of others and Washington and Seoul repeatedly have acquiesced. Now, the United States and South Korea have taken this page from the North Korean playbook and insisted that now Pyongyang must change, otherwise its future remains bleak. This is no time to reduce the pressure. Washington and Seoul should continue their policies but implement additional measures to make sanctions more effective. Although the Obama administration’s recent executive order against North Korean illegal activities was a good strategy, it was weakly implemented. The United States should drop its reluctance to target non-North Korean entities in violation of United Nations resolutions and international law. It should identify and target foreign governments, businesses, banks, and individuals who aid North Korea’s nuclear and missile programs and its illicit activities such as counterfeiting and drug smuggling. Washington should take the lead and call on other nations to follow suit. Increased international pressure could impede North Korea’s ability to import the components and materials needed for its weapon programs and curb its destabilizing proliferation activities. More aggressively implementing UN resolutions would also decisively signal there is a cost to abhorrent behavior. For its part, Seoul should augment its post-Cheonan punitive economic measures against North Korea and close the Kaesong economic zone, a joint South-North Korea business venture. The Lee Myung-bak administration has been reluctant to do so since a number of South Korean businesses rely on the venture to stay afloat, and keeping it open tells Pyongyang that it can conduct acts of war and terrorism without significant penalty. The United States and its allies should also make clear to China that it must increase pressure on North Korea prior to Washington agreeing to return to six-party talks. Beijing’s refusal to confront North Korea over its multiple transgressions has undermined the nuclear negotiations and the UN resolutions.” (Bruce Klingner, “Steady As She Goes on North Korea,” Asia Times, October 21, 2010)

In another conciliatory gesture, North Korea renewed its proposal for non-governmental dialogue with South Korea on ways to honor their landmark 2000 summit agreement, an official said. In a faxed message on Wednesday, the North Korean side of the Committee for the Implementation of the June 15 Declaration made the proposal to its South Korean counterpart, the Unification Ministry official said, speaking on condition of anonymity. Hyun In-taek, the unification minister, said on the sidelines of a speech in Seoul that he would look into details of the proposal to decide whether his government would allow such a meeting. (Korea Times, “N.K. Proposes Non-Governmental Dialogue on 2000 Summit Deal,” October 21, 2010)

“Japan embarked on annexing Korea with power in the face of opposition from Koreans in the early 20th century,” the final report by 13 Korean and 13 Japanese
The numerous losses, pains and the national grudge brought on by such a colonizing process and the colonial rule afterward are factors impeding the Korea-Japan relationship from being normalized since 1945. The scholars, led by Ha Young-sun of Seoul National University and Okonogi Masao of Keio University, began conducting the study in February 2009. Ha and Okonogi announced the result of the study at the Ministry of Foreign Affairs and Trade in Seoul. “The statement mentioning that the annexation and the colonization were done based on power could be virtually interpreted as [the annexation] having an element of coerciveness,” Ha told reporters. Japanese Prime Minister Kan acknowledged that colonial rule was forced upon Korea against the will of its people in an address on August 10, the first time a Japanese prime minister had made such an admission. The controversy over whether the annexation was legitimate or not, which could expose Japan to financial liabilities, lingers and the scholars reached no conclusion on the point. The study, named “A joint study project for the new Korea-Japan era,” was also intended to come up with policy proposals for improving the bilateral relations. Among its forward-looking proposals is realizing “Campus Asia,” a deeper-level of student exchange programs. “It [the student exchange program] should not stop at such levels as [short-term] mutual visits by students, exchange of academic units or joint degrees,” Okinogi said. “We should foster leaders in the era of an incorporated [East Asia].” The creation of an “East Asian Knowledge Bank” was another suggestion. It proposes a database of historical records and political or diplomatic documents from the East Asia region and translation of classic books written by East Asians. The scholars also called for building an undersea tunnel linking the two countries, cooperation on North Korean issues and the signing of a free trade agreement as other methods of future-oriented bilateral cooperation. (Moon Gwang-lip, “Scholars Says Annexation of Korea by Japan Coerced,” JoongAng Ilbo, October 22, 2010)

The Democratic Party of Japan’s national security study panel wants to ease the nation’s decades-old ban on arms exports, a move that could give domestic defense-related companies a chance to develop and produce weapons with other countries and cut weapon costs. According to DPJ sources, the Study Council on Foreign Relations and National Security agreed Friday to push for easing the restrictions on arms exports and to form a party consensus on the matter by the end of November. The three-point arms export limits introduced in 1967 by then Prime Minister Sato Eisaku prohibit weapons sales to communist states, nations subject to U.N. arms embargoes and parties engaged in armed conflict. Prime Minister Takeo Miki’s administration went a step further in 1976 by placing a blanket ban on arms exports except for providing weapon technologies to the United States under the bilateral security treaty. The agreement reached by senior members of the DPJ panel is primarily aimed at opening the door to joint weapon development and production with non-U.S. companies, party sources said. (Yomiuri Shimbun, “DPJ Panel: Arms Export Ban Must Be Eased,” October 24, 2010)

North Korea is circumventing United Nations sanctions by routing trade and financial transactions through China, a U.S. report said. Flawed intelligence about North Korean actions and varying interpretations of UN sanctions also allow the isolated communist country to avoid the full weight of penalties meant to push it to reconsider its nuclear
President Obama is pursuing a policy of sanctions and engagement with North Korea to encourage it to rejoin denuclearization talks. North Korea’s leaders have made ending the sanctions a condition for returning to talks. Implementation of those sanctions has been uneven globally and in cases has diminished over time, the report said. “Because China has taken a minimal approach to implementation on North Korea, it has proven difficult to strengthen measures any further in the UN context,” said the report, requested by Senator Richard Lugar of Indiana, the top Republican on the Senate Foreign Relations Committee. The CRS report found that North Korea uses air and land routes through China with little risk of inspection and that luxury goods flow through China to Pyongyang’s elites “almost unabated.” (Nicole Gaouette, “North Korea Circumventing UN Sanctions with China’s Help, U.S. Report Says,” Bloomberg News, October 22, 2010)

South Korea has no plan to join the U.S. regional missile defense system but it will continue to strengthen cooperation with Washington to counter North Korea’s missile threat, the defense ministry said. The ministry issued a statement to clarify comments made by its minister, Kim Tae-young, during a parliamentary audit yesterday that were interpreted by some as suggesting that South Korea was considering joining the U.S. regional missile defense system. South Korea and the United States “will discuss ways to share information and to use resources for the protection of the Korean Peninsula from the threat of North Korean weapons of mass destruction when their Extended Deterrence Policy Committee meets,” the ministry said in the statement. During their annual Security Consultative Meeting earlier this month, the defense chiefs of the allies agreed to form the committee as a cooperation mechanism to enhance deterrence against the North. “This does not mean (South) Korea will participate in the U.S. regional defense missile system,” the ministry said. (Yonhap, “S. Korea Rules out Joining U.S. Regional Missile Defense,” October 23, 2010)

Senior North Korean and Chinese military officials demonstrated strong military ties between the two communist allies, KCNA said. Ri Yong-ho, vice chairman of the Central Military Commission of the Workers’ Party, welcomed the Chinese military delegation led by Gen. Guo Boxiong, vice chairman of China’s Central Military Commission, in Pyongyang. “The visit of China’s high-ranking military delegates greatly encourages demonstrating of what are already friendly and cooperative ties between North Korea and China,” Ri was quoted as saying by the KCNA. “The ties, sealed in blood, has grown in the course of fighting against the United States, and now on the basis of bilateral efforts, it will only be strengthened,” he said. (Kim Se-jeong, “North Korea Ratchets up Relationship with China,” Korea Times, October 24, 2010)

North Korea has abruptly replaced its ambassador to China, according to reports. This move comes six months after former Ambassador Choi Byong-kwan assumed the position in April of this year. Foreign affairs sources in Beijing report that Choi returned to Pyongyang today, and that his replacement Ji Jae-ryong, the 68-year-old vice director of the Workers’ Party of Korea International Department, is to formally take over the position in Beijing shortly after attending an event October 25 in Pyongyang to commemorate the 60th anniversary of the Chinese army’s participation in the
Korean War. Ji, who is also a known close associate of WPK Ministry of Administration Council Director Jang Sung-taek, North Korean leader Kim Jong-il's brother-in-law, appears likely to receive the approval of the Chinese Foreign Ministry, the sources said. Observers say Choi's sudden replacement after six months in his position is exceptional, given the precedent of long terms served by previous ambassadors Ju Chang-jun and Choi Jin-su. Ju served for approximately 12 years beginning in 1988 and was succeeded by Choi Jin-su, who was in Beijing for close to ten years beginning in 2000. In light of the relatively small amount of diplomatic activity by Choi Byong-kwan in Beijing, observers in Beijing diplomatic circles have speculated about possible health problems or a reprimand for performance of his duties. Other analysts have suggested that the replacement represents an attempt to step up diplomatic relations with China by bringing in a figure with more weight as ambassador to the country at a time when North Korea-China relations are enjoying unprecedented closeness, with two China visits by Kim Jong-il within 2010. Whereas Choi, a traditional administrative affairs veteran who served two terms as consular bureau director in the North Korean foreign ministry, was a lower-level figure in comparison with previous ambassadors to China, Ji is known to have some weight within the WPK with his background as a International Department vice director. In other words, analysts are saying, Ji was brought in as ambassador to China with the goal of increasing WPK and Chinese Communist Party interchange following North Korea's recently strengthening of its party organization through a WPK meeting of party representatives. Ji first made a name for himself in the 1970s as a youth organization leader in the Kim Il Sung Socialist Youth League and Korean Students' Committee. He has been serving as vice director of the International Department since 1993. He has also sat in at meetings between Kim Jong-il and major figures in China and participated in party interchange efforts with Europe and Russia. Kyodo News reported that Ji’s major duty after taking office as ambassador will be arranging China visits by Kim Jong-il’s son and successor Kim Jong-un. (Park Min-hee, “N. Korea Replaces Ambassador to China,” Hankyore, October 25, 2010)

10/24/10 North Korean defectors appear to be traveling to this nation from South Korea to earn an income in the adult entertainment industry, with a series of arrests having been made in connection with two adult businesses in Ueno, Tokyo. A woman who defected from North Korean was deported from Japan to South Korea in mid-October after being convicted of illegally operating an adult salon in Ueno, according to Metropolitan Police Department sources. The woman fled North Korea for South Korea in July 2004, but she came to Japan in April 2006 after experiencing financial difficulties in South Korea. She opened the adult salon in January last year, and was arrested in May this year, the police said. According to MPD sources, the woman sent part of her earnings from the shop to North Korea. Nine other defectors from North Korea, all women, have also been arrested, the MPD said. One, a massage parlor manager in her 40s, is an acquaintance of the deported woman. Investigative sources said she was arrested Oct. 4 on suspicion of violating the Adult Entertainment Businesses Law by operating the parlor in an area of Ueno where such businesses are prohibited. The other eight women worked at the two Ueno businesses, and were arrested on suspicion of breaking the Immigration Control and Refugee Recognition Law by working in violation of their visa status. After defecting from North Korea, all 10
women entered a facility in South Korea that helps defectors settle in that nation, and all obtained status as South Korean nationals, according to the police. However, the women found it hard to find work in South Korea. One was quoted by the police as saying: "We defected from North Korea because our lives there were difficult, but our lives didn’t improve in South Korea. In Japan, we earned a lot, partly thanks to the strong yen." The deported woman made profits of about 35 million yen at her salon between its opening and April this year. The woman said she had sent part of the income to relatives in North Korea, according to the police. The arrested massage parlor manager, meanwhile, is rumored to have once been a member of North Korea's secret police, the MPD said. The MPD intends to thoroughly investigate the woman, who comes from a northern region of North Korea and visited Japan a few years ago, by exchanging information with South Korean police. (Yomiuri Shimbun, “N. Korean Defectors in Vice Busts,” October 24, 2010)

10/25/10 A pair of freighters sailed tonight from South Korean ports bearing the government’s first donation of food for North Korea since the decade of the Sunshine policy of reconciliation when South Korea annually shipped hundreds of thousands of tons of food and fertilizer to the impoverished North. Those shipments stopped at the end of 2007 after the conservative Lee Myung-Bak defeated a liberal candidate for president in a backlash against leftist-led economic policies and gestures toward the North that conservatives saw as doing little to overcome tensions. How far the donations by the South’s conservative government will go toward improving frayed North-South Korean relations, however, remains uncertain. North Korea noted earlier that the shipments of 5,000 tons of rice and 3 million packs of instant noodles was a tiny fraction of at least 500,000 tons shipped annually to the North before Lee’s inauguration as president in February 2008. (Donald Kirk, “South Korea Sends First Aid to North Korea in Nearly Three Years,” Christian Science Monitor, October 25, 2010)

10/25/10 Korea and the U.S. will begin joint research on a safe method of reprocessing spent nuclear fuel. In the first round of revision talks in Washington about a bilateral nuclear agreement that currently prevents Korea from reprocessing its own spent nuclear fuel, Deputy Foreign Minister Cho Hyun and Robert Einhorn, a U.S. State Department advisor for non-proliferation and arms control, agreed to conduct joint research on a method known as pyroprocessing. The agreement expires in 2014. Cho said that the talks will proceed on two tracks, with the revision talks handled separately from research on pyroprocessing, which does not produce plutonium that is pure enough for nuclear weapons. “In the first round of talks, we discussed ways to lay the groundwork for joint research on pyroprocessing,” he added. Up until recently, the U.S. had opposed to allowing Korea any form of reprocessing, claiming that pyroprocessing is essentially no different from the normal method, but Seoul was able to persuade Washington that the matter is worth looking into. Some experts worry that the U.S. could seek to highlight the negative points of pyroprocessing during joint research. (Chosun Ilbo, “Korea, U.S. to Research Safe Nuclear Reprocessing Together,” October 27, 2010)

The sharp drop in inter-Korean exchanges resulting from the chill in relations on the peninsula has led to a mere 3.6 percent of the inter-Korean cooperation fund being
tapped as of the end of September. In 2009, 8.6 percent of the allocated funds were spent, but this year, even at the end of the third quarter, not even half that much has been allocated. The National Assembly’s Unification, Foreign Affairs and Trade Committee found in an audit of the Ministry of Unification’s public documents that almost 1.2 trillion Won had been allocated for inter-Korean cooperative projects, but a mere 41.7 billion Won had been spent. 1.4 billion Won was spent on socio-cultural exchanges, while 13.1 billion Won was spent on humanitarian aid, 10.7 billion Won supported economic cooperative projects, and 16.7 billion Won was advanced in support of those companies and groups planning additional projects. On the other hand, the Ministry of Unification is loaning 60 billion Won from the inter-Korean cooperation fund to South Korean companies invested in economic cooperative projects that are suffering losses due to the May 24 measures, which restrict exchanges due to the sinking of the Cheonan. In 2008, the first year of Lee Myung-bak’s administration, only 18.1 percent of the inter-Korean cooperation fund was spent, and this percentage has fallen every year since. Now at an all-time low, it appears that the rate of spending will continue to fall in the future. With the May 24 measures, the Kaesong Industrial Complex was exempted from trade restrictions. In addition, other inter-Korean trade worth approximately $80 million has been permitted. This includes 639 different cases of imported goods manufactured from raw materials or parts sent to the North prior to the May 24 restrictions, amounting to $31.15 million, and 269 cases of pre-ordered exports amounting to just over $49 million. On the other hand, losses due to the halt of tourism to Mount Keumgang and Kaesong have amounted to 628.5 billion Won over the last two years. According to a report submitted to the National Assembly by the Korea Tourism Association on the impact of halting these tourism projects, losses of 548.2 billion Won had been incurred by August, and that is expected to grow to 628.5 billion Won by the end of the year. Since Mount Keumgang tours were halted in July 2008, while Kaesong tours were stopped in November of the same year, the Korea Tourism Association has lost 10.5 billion Won in profits, while private-sector companies including Hyundai-Asan and its partners have lost 465.2 billion Won. In addition, restaurants, rest stops, visitor centers and other businesses in the border town of Koseong, Kangwon Province have lost 72.5 billion won due to the lack of tourists travelling across the border to Mount Keumgang, pushing total losses by the government and private sector to over 500 billion Won. (Institute for Far Eastern Studies, “3.6% of South-North Cooperation Fund Spent in 2009,” October 25, 2010)

North Korea pressed South Korea to take steps to restart their suspended cross-border tourism project as their Red Cross officials got to brass tacks here on ways to facilitate the reunions of families separated by the Korean War, an official said. The two-day talks in the North Korean border town of Kaesong came before the sides were to hold the reunions of 100 families from each country between October 30 and November 5 at Mount Kumgang in the communist state. The reunions are the first of their kind since October last year. “Dialogue must urgently be held” to discuss the seizure, the South Korean official quoted the North Korean delegation as saying during a session in the morning. “To normalize and revitalize these reunions, the reunion venue issue must be resolved,” the North Korean delegation was quoted as saying. “Measures must first be taken to resume the normal operations of South Korean facilities at Mount Kumgang.” During the talks, the South also expressed hope that the countries begin a project in
December to help 5,000 people from each side confirm the whereabouts of their family members left on the other side after the 1950-53 war, the official said. “Such a project would pave the way for exchanges of letters either written or videotaped,” he said. The North also proposed that the sides restore their Red Cross hotline in the truce village of Panmunjom in the demilitarized zone, the official said. More than 80,000 South Koreans are waiting for an opportunity to be reunited, however briefly, with family members in the North. (Joint Press Corps, “N. Korea Presses S. Korea on Talks on Tours ahead of Family Reunions,” Yonhap, October 26, 2010) Reunions for families separated by the Korean War could be held several times a year - for the first time - if convoluted negotiations bear fruit. Previously, North Korea had demanded that Kumgang tours resume as a precondition for any family reunions. It took back its demand earlier this month after South Korean government officials refused in September. Kim Yong-hyun, head of the South Korean delegation, yesterday asked for monthly reunions at the reunion center in Mount Kumgang starting next May and additional meetings for family members who have participated in previous reunions, in groups of 50 families. In answer to South Korea’s requests, North Korean Red Cross officials said yesterday that three to four reunions could be held a year with 100 participants from each Korea, mostly during holiday periods. They also proposed video chat reunions. That’s what North Korea offered yesterday at a meeting between the two sides’ Red Cross representatives in Kaesong. The sticking point: the North still wants Southern tour groups to return to the Mount Kumgang resort, from which it makes lots of money. Choe Song-ik, head of the three-man North Korean Red Cross delegation, said yesterday, “Working-level talks on a government level should be held quickly in order to discuss the business of resuming the tourism business in Mount Kumgang,” and that concrete measures should be taken beforehand to restore tourism to the resort if frequent reunions are to be agreed to. (Christine Kim, “North and South Discuss Frequent Reunions,” JoongAng Ilbo, October 27, 2010) South and North Korea on Wednesday failed to reach an agreement on holding regular reunions of families separated by the 1950-53 Korean War, officials said. The two sides are to meet again on Nov. 25 at a yet-to-be-determined venue. Earlier on the 26th, North Korea demanded 500,000 tons of rice and 300,000 tons of fertilizer in humanitarian aid from South Korea in return for concessions on family reunions. (Joint Press Corps, “Koreas Fail to Regularize Family Reunions,” Yonhap, October 27, 2010)

10/26/10

Assistant SecState Campbell: “Q: I also had a question on the Korean Peninsula. Secretary Clinton will have a chance to meet with partners in Six-Party Talks. I just want to ask you: How will she utilize this opportunity to make a better environment to resume the talks? And secondly, U.S. has been urging that South and North Korea should have some sort of reconciliation steps to make dialogue possible. So recently, we see some specific steps and positive progress between two countries. So are we getting closer to the resumption of the dialogue? How do you assess this movement? CAMPBELL: I – first of all, I think, as we’ve said, we have welcomed some of the preliminary steps that have taken place between the North and the South. And one of the things that Secretary Clinton will want to discuss with her Korean counterpart and also with the president is Korean views on the way forward associated with both their direct diplomacy in North Korea and also the prospects for the resumption of Six-Party Talks. I think we have stated very clearly and categorically what our position is in terms
of what we need to see. It is also the case that we are extraordinarily closely linked with South Korea in our overall strategy, and I think we’re just looking forward to this next step in terms of the Secretary’s interactions to make sure that we go forward together.” (Assistant Secretary for East Asian and Pacific Affairs Kurt M. Campbell, Briefing on Secretary Clinton’s Upcoming Travel to Asia-Pacific Region, October 26, 2010)

Pyongyang University of Science and Technology founded by American evangelical scholars began its first day of classes. “It’s amazing, and kind of a miracle,” said Park Chan-mo, one of the founders of the school, which was largely financed by contributions from evangelical Christian groups in the United States and South Korea. “Many people were skeptical, but we’re all Christians. We had faith.” The driving force behind the school was Kim Chin-kyung, an American born in Seoul who founded a university in China in 1992. He made periodic trips from China into North Korea and in 1998 was arrested at his hotel in the capital and thrown into prison, accused of being an agent for the C.I.A. The relentless interrogations went on for six weeks and almost broke him. “I was ready to die,” he said in a 2001 interview, even writing out a will and bequeathing his organs for transplants and medical study in Pyongyang. He was finally released, he said, after convincing the authorities that “I was not the kind of person who would spy on them.” In November 2000, a man appeared in his university office in China – oddly, the same man who had ordered his arrest for espionage in Pyongyang in 1998. But this time he had a proposal from the North Korean government: could he duplicate his Chinese technical university in Pyongyang? “Doing business with North Korea is not for the faint of heart,” Kim said on the school’s Web site, “but the effort is ennobling and necessary.” The first group of 160 undergraduate and master’s students has been chosen by the North Korean government, selected from its top colleges and from the political and military elite. Their tuition, room, board and books are all free, financed by foreign donors and individual sponsors. The plans call for an eventual student body of 2,600 and a faculty of 250, with classes in public health, architecture, engineering and construction. Sixteen professors from the United States and Europe arrived in Pyongyang over the weekend. For now, no South Korean professors are allowed because of recent political tensions between the Koreas. It seems an unlikely marriage – the hard-line Communist state and wealthy Christian capitalists – and it remains to be seen how well the match has been made. The $35 million, 240-acre campus includes a faculty guesthouse and world-class dormitories and classrooms, all of which are said to have running water, power and heat. The school has its own backup generators, but with so little diesel and gasoline available in the North, fuel has to be trucked in from neighboring China. Classes will be taught in English, and Internet access has been promised to all students. The campus has sirens that go off before rolling electrical blackouts, so work on computers can be saved. “The Internet will be censored, and we can’t imagine that it won’t be,” said Dr. Park, who has been involved in educational exchanges with the North since 2000. “Even in South Korea things are blocked. I’m sure North Korea has been looking at my e-mails. I keep them businesslike.” Dr. Park, the former president of the prestigious Pohang University of Science and Technology in South Korea, said the university project could not have been completed without the approval of the United States government. Officials at the school, eager not to run afoul of international sanctions in place against the North, have even sent its curriculum to the State Department for vetting. One request from
Washington was that the name of the biotechnology course be changed for fear that it might be seen as useful in developing biological weapons, Dr. Park said. So the course title was changed to “Agriculture and Life Sciences.” The United States government also was also “very sensitive,” Dr. Park said, about young North Korean scientists learning skills that could be used by the military or in developing nuclear weapons. “We can’t be fooled into teaching them those kinds of things.” Several conservative lawmakers from South Korea called for Seoul, which gave $1 million to the school in 2006, to cut off all support. One legislator, Yoon Sang-hyun, was angered that the North insisted that future economics classes include lessons about juche, or Kim Il-sung’s founding philosophy of self-reliance. Some critics also have suggested that there must have been heavy payoffs made to the North Korean government to move the project along, but Mr. Kim insisted that no deals had been made. “Every brick we used, every bit of steel, every bit of equipment, we brought in from China,” Kim, who was in Pyongyang for the opening, said in an interview in Fortune last year. “I have never brought any cash into North Korea.” He added. “I have unlimited credit at the Bank of Heaven.” (Mark McDonald, “An Unlikely Pairing Bears Fruit in North Korea,” New York Times, October 26, 2010, p. A-10)

Chosun Sinbo: “On the occasion of the 60th anniversary of the Korean war participation by Chinese People’s Volunteer Army, the cooperative relations between the armies of the two countries were displayed. It is a part of showing that interest relations between the DPRK and China coincide in the area of security. In the midst of dynamic relations in Northeast Asia taking on aspects of fluidity, and with unstable elements harming the regional order coming to the fore, close ties between the DPRK and China, which include military areas, have been building a powerful fortress of peace. “The reason for my visit to the DPRK this time around is to contribute to peace, stability, and development of the world, going beyond the region, together with the DPRK comrades.” Guo Boxiong, vice chairman of China’s Central Military Commission (member of the Chinese Communist Party political bureau) who made an official friendship visit (23-26 [October]) to the DPRK on the occasion of the “60th anniversary of [China's] participation in the [Korean] war," stressed the significance of high-level military leadership exchanges that can be distinguished from usual personnel exchanges. The DPRK-China friendship was formed amid a common struggle opposing foreign aggressors. The vitality of the bond and cooperative relations consolidated on the common anti-Japanese front and in the period of China’s internal revolutionary war was powerfully displayed during the war period of the 1950s. The war’s opponent was the United States. The experience of having fought shoulder to shoulder in the same bunker serves as the driving force propelling the strengthening and development of DPRK-China friendship relations today, as well. The blood alliance [military?] between the DPRK and China, which has been confirmed once again on the occasion of the “60th anniversary of war participation," is expected to create a new trend in 21st century international politics. DPRK-China bilateral relations have characteristics and strengths not found in general foreign relations of other countries. It is the expression of the “spirit of proletariat internationalism,” which mutually gives and receives aid without an ulterior motive on the path for anti-imperialist socialism. Countries aiming toward socialism know how to link their destinies into one and share all the joys and sorrows of life when a common
object of struggle makes an appearance. Moreover, the DPRK and China are neighboring countries with adjoining mountains and rivers and share common interest relations geopolitically, as well. In the tumultuous situation following the end of the Cold War, DPRK-China relations once experienced ups and downs, but the "traditional friendship" has entered a new development stage in the recent years amid the attention of leaders in both countries. This is not at the level of "restoring relations." North Korea claims that DPRK-China relations are greeting a "great heyday." ("Rodong Sinmun") Comrades in arms who have fought together always cherish loyalty based on camaraderie as precious and cooperate with each other even in the midst of difficulties. Soldiers who know this better than anyone visited North Korea on the occasion of the "60th anniversary of war participation." In fact, China's army is reported to have actively supported the pursuit of North Korea's independent line and line toward the United States that refuses to compromise on principle, which has been implemented to date in the process multilateral diplomacy or reinforcement of self-defensive national defense capabilities. [Subhead: Pending Task Is to End War] Hostile states have given misleading reports of North Korea’s self-defensive nuclear deterrent as a “threat” and taken issue with China’s national defense capabilities. But from an objective viewpoint, a shield against Cold War regressive adventurism, which is making the security of the region and the world precarious, has been formed as a result of socialist states in the East coordinating and organizing a cooperative system. This has been substantiated by the "Cheonan" ship sinking incident that took place in the year marking the 60th anniversary of the outbreak of the Korean war. Using the incident as a pretext, the United States has strengthened its military rule over Japan and South Korea and conducted reckless military exercises around the Korean peninsula. North Korea and China raised alarm against the expansion of war commotions and countered with a powerful deterrent. At present, the DPRK and Chinese armies have stressed the strengthening of cooperative relations and expressed their aim toward peace. The two countries have a common task that must be faced and resolved. The war in which China took part was "temporarily suspended" on 27 July 1953. The ones that signed the armistice agreement were North Korea, China, and the United States wearing the mask of United Nations Forces. This year, North Korea formally proposed holding talks to change the armistice agreement to a peace agreement. North Korea's proposal corresponds to the trend of the times. The end of the Cold War does not mean the ‘end of socialism’ and the ‘unipolar rule of the United States.’ As a result of major changes such as North Korea’s battle to defend socialism and DPRK-US nuclear confrontation, the weakening hegemony of the United States that is suffering from external and internal crisis, and the strengthening of DPRK-China cooperative relations, a new order is being formed in Northeast Asia, as well. The end of war on the Korean peninsula is an opportunity to tear down the outdated confrontational structure in the region. "The Workers Party of Korea [WPK] has established military-first politics as the basic socialist political method and shall lead the revolution and construction under the military-first banner." (WPK bylaw) Diplomacy of peace is also not an exception. There is a powerful national defense capability defeating the high-handedness of hostile states behind the diplomats' sophisticated negotiation skills. The comradeship with Chinese comrades in arms has also been confirmed. Currently,
diplomatic movements of various countries for the resumption of the Six-Party Talks have continued, centering on China. In the days of the past Bush government, the United States attempted use the Six-Party Talks in a "1 to 5" structure, in other words, a venue for international pressure on North Korea, but the situation in the region has undergone a complete change in the recent few years. Multilateral diplomacy, which will begin amid the emergence of the subject of peace, will take on a different aspect from the past Six-Party.” (Kim Chi-young, “DPRK-PRC Friendship Based on ‘Comradeship’ as Powerful Fortress of Peace in the East,” Chosun Sinbo, February 27, 2010)

The main opposition Democratic Party was soul-searching after it suffered a surprising election defeat in Gwangju, one of the liberals' traditional vote pockets in the southwestern region of Honam. In national by- and re-elections, independent candidate Kim Jong-sik was picked as the chief of a ward office in Gwangju, garnering 38.2 percent of votes. The DP's candidate, Kim Seon-ok, was the second runner-up with 23.8 percent, beaten even by a candidate jointly put up by four minor opposition parties. In the elections, which selected a county head, a city district chief and four local councilors, the DP scored one victory and one loss in two areas in Honam, while the conservative ruling Grand National Party swept to victories in all of the four contested areas in its home turf of Gyeongsang. “The defeat in Gwangju, our core support base, has offered us a painful lesson,” Rep. Park Joo-sun, a member of the DP’s top-decision making body, said. “Arrogant and complacent, we were slow to change. We could have done better with the candidate selection,” he said. The outcome of the polls, which were held in public apathy due to its small scale, is not likely to have significant repercussions on the DP, which installed early this month a new leadership team led by chairman Sohn Hak-kyu. (Lee Sun-young, “DP Stung by Bitter Defeat on Home Turf,” Korea Herald, October 29, 2010)

10/28/10 South Korea rejected North Korea’s renewed proposal to hold military talks and will stay away until the communist neighbor admits its responsibility for sinking a Seoul warship, the defense ministry said October 29. Confirming what the North’s state media reported earlier in the day, the ministry said it sent a message to Pyongyang yesterday that it cannot accept the proposal. “Our stance is that we won’t respond to North Korea’s dialogue (proposal) unless the North admits to and apologizes for the attack on the Cheonan warship,” Army Col. Moon Sang-kyun told reporters. “Talks would be meaningless if North Korea’s stance and attitude on the attack on the Cheonan do not change.” On October 29, the North’s military charged that Seoul’s refusal was “an act of treachery.” “The South Korean puppet military authorities will have to keenly realize what a catastrophic impact their rejection of dialogue will have on the North-South relations,” it said in a statement carried by KCNA. (Kim Deok-hyun, “S Korea Rejects North’s Proposal to Resume Military Talks,” Yonhap, October 29, 2010)

Rodong Sinmun: “Stories about the U.S. scenario to mount a nuclear attack on the DPRK are casting shadow on the efforts to settle the nuclear issue on the peninsula. ... What matters is that some people are floating misinformation that the DPRK is to blame for the deadlock six-party talks for the denuclearization of the peninsula. This
is a very wrong view prompted by the lack of knowledge about the essence of the issue. The DPRK’s access to nuclear deterrent was the best option and a legitimate measure for self-defence taken after its painstaking efforts to check the U.S. preemptive nuclear attack. The DPRK has made strenuous efforts to turn the peninsula into a nuclear-free zone and a peace zone against the U.S. moves to keep south Korea as its nuclear base and ignite a nuclear war against the DPRK. The U.S., however, has further increased its nuclear threat to the DPRK, turning its face away from all the efforts made by the latter to turn the peninsula into a nuclear-free zone.

**It has become clear that no international treaty was effective enough to deter the U.S. from its arbitrary practices and on the contrary it has been abused as a tool for justifying its high-handed actions.** Even under this tense situation the DPRK did not cease to make efforts to seek a negotiated settlement of the nuclear issue on the peninsula. Thanks to the sincerity and magnanimity on the part of the DPRK the ‘DPRK-U.S. Agreed Framework’ was adopted to settle the nuclear issue on the Korean Peninsula in the 1990s but after its emergence the bellicose Bush administration unilaterally scrapped it, completely suspending the negotiations with the DPRK. At the outset of the new century this administration listed it as an ‘axis of evil.’ A particular mention should be made of the fact that the U.S. published its “nuclear posture review” which included the DPRK in the ‘targets of its preemptive nuclear strikes,’ posing an extremely grave nuclear threat to the Korean nation.

**The DPRK had access to nuclear deterrence for self-defense and proudly ranked itself among nuclear weapons states. This put an end to the nuclear imbalance on the peninsula and defused the U.S. nuclear threat to the DPRK, ensuring the equilibrium of strength.** This testifies to the validity of the measure taken by the DPRK to have access to nukes and its practical significance. **Invariable is the stand of the DPRK to establish a durable peace-keeping regime on the peninsula and denuclearize it.** The DPRK is ready to resume the six-party talks. But the U.S. and some other parties concerned are not ready to do so. Under this situation, the DPRK does not make haste but will continue making patient efforts for the resumption of the talks. The denuclearization of the peninsula would be meaningless and impossible without defusing the U.S. nuclear threat to the DPRK. The destiny of the talks and the prospect of the denuclearization of the peninsula entirely hinge on the attitude of the U.S.”


Okazaki Tomiko, Japan’s National Public Safety Commission chairperson and Minister of State for Consumer Affairs and Food Safety said in response to a counselor’s question at the Japanese House of Counselors’ Committee on Cabinet on Thursday, that there should be an apology and reparations at the Japanese government level for “comfort women” drafted to perform sexual services for the Japanese Army. According to a report in the *Sankei Shimbun*, Okazaki responded to a question on the comfort women issue from Liberal Democratic Party Councillor Shoji Nishida by saying, “We certainly want to proceed with measures for restoring honor and dignity. We believe we must consider [financial payments] as well.” This effectively marks the first time a sitting Cabinet officer in the Japanese government has commented on the need for a government apology and financial reparations to comfort women, who were coerced to serve as sex slaves for the Japanese military during World War II. To date, the
Japanese government has maintained the position that the matter of reparations for damages inflicted during the Japanese occupation of Korea was entirely resolved with the 1965 Korea-Japan Accord. However, since current Prime Minister Naoto Kan took office, it has adopted a vaguer stance, saying that the matter of state reparations was settled, but that there was still the possibility of citizen-to-citizen reparations. Since assuming the position of National Public Safety Commission chairperson, Okazaki has been the target of a concerted attack by opposition party politicians due to her participation in a 2003 anti-Japan demonstration in front of the Japanese Embassy in Seoul organized by a support group for comfort women. She has consistently stated that the Japanese government needs to apologize and make financial reparations to comfort women, and presented related legislation to the Diet of Japan. Meanwhile, the Okura Cultural Foundation has drawn attention with an announcement of its willingness to return the Five-Story Pagoda of Icheon to Korea. The pagoda was taken to Japan during the occupation. Following a third round of discussions for the pagoda’s return with the foundation at Tokyo’s Okura Hotel on Friday morning, the Five-Story Pagoda of Icheon Recovery Committee announced that the Okura Foundation “expressed that it could return the pagoda if the Japanese government consents to it.” The Five-Story Pagoda of Icheon was erected in the Gwango-dong neighborhood of Icheon in the early Goryeo period, but the colonial government moved it to Gyeongbok Palace around 1914-1915. It was subsequently taken to Japan in 1918 via the Okura Doboku Gumi Corporation (currently Taisei Construction), a business connected with the Okura Foundation. It presently stands on the rear lawn of Tokyo’s Okura Hotel. (Hankyore, “Japan Takes Step toward Addressing ‘Comfort Women’ and Cultural Artifacts Issues,” October 30, 2010)

KCNA: “A spokesman for the north side’s delegation to the north-south military talks issued the following statement [today] denouncing the south side for rejecting the north-south military working talks: Recently the south Korean puppet military has persisted in the operation for scattering anti-DPRK leaflets in the areas along the Military Demarcation Line where the armed forces of both sides stand in acute confrontation and perpetrated such military provocations as infiltrating ships of its navy into the territorial waters of the DPRK side in the West Sea of Korea one after another. The puppet minister of Defense openly called for modulating frequency of anti-DPRK psychological broadcasting and distributing radios needed for it in the areas of the DPRK side and even cried out for installing more loud-speakers and setting up new large electronic displays. All this adds to the gravity of the situation. In order to put the grave prevailing situation under control, the DPRK side on Oct. 22 proposed the south side holding the north-south military working talks to discuss the issue of implementing military agreements already reached between the militaries of both sides. The south side, however, turned down the proposal for the talks, talking about “a responsible measure” for the case of sunken warship “Cheonan” and the “ambiguity” of the issue of implementing the north-south military agreements as regards the proposed talks. When looking back on the history of the north-south relations, it is very hard to find a precedent in which one party rejected the talks proposed by the other party even when the bilateral relations reached the lowest ebb. This was because the rejection of dialogue precisely meant confrontation and war. The action taken by the puppet military authorities to reject dialogue and contact is an
expression of their ignorance of the trend of the times and an act of treachery turning their back on the nation by stoking mistrust and confrontation. As for the sunken warship case, it was obviously a hideous fabrication and charade orchestrated against the DPRK and, therefore, the puppet forces are obliged to apologize to the DPRK for this a thousand times. **The army of the DPRK will counter the south side’s reckless provocative act of openly shunning the implementation of the inviolable bilateral agreement with a merciless physical retaliation.** (KCNA, “S. Korean Military Authorities’ Rejection of Contact Denounced,” October 29, 2010)

South and North Korean troops exchanged fire near the border, with the North launching the first shots toward a South Korean military guard post, an official at the Joint Chiefs of Staff (JCS) here said. “Two shots were fired from a North Korean military guard post (GP) toward our GP around 5:26 p.m., and we immediately returned fire with three shots as under the rules of engagement,” the official said. “There was no damage from the North Korean shots.” The South Korean GP is in Hwacheon, 118 kilometers northeast of Seoul. The GPs are 1.3 kilometers away from each other. According to the JCS, the defense readiness posture has been strengthened and forces are prepared for quick mobilization in contingency. “It hasn’t been confirmed whether the North Korean military took an aimed shot,” the official said. “The United Nations Command (UNC) will send a special investigation team to determine whether North Korea had violated terms of the armistice.” South Korean military officials are looking at possible links between the shooting and a threat by the North earlier today of physical retaliation over Seoul’s refusal to hold inter-Korean military talks. In a typically strong-worded statement carried by KCNA, North Korea called the South Korean rejection “an act of treachery.” The shooting came a day before families from the two Koreas are scheduled to start their reunions in North Korea. The Unification Ministry said the meetings will proceed as scheduled. Ninety-seven families, or more than 430 people aged between 70 and 96, are gathered in an east coast South Korean town, Sokcho, 213 kilometers east of Seoul and about half an hour drive from Mount Kumgang, where the reunions will be held. “All the preparations are going smoothly,” a ministry official said. “We don’t foresee any problems with holding reunions tomorrow as planned.” (Yonhap, “Two Koreas Exchanges Fire at Border,” October 29, 2010) The South Korean military and the United Nations Command say machine gun shots fired Friday by North Korea at the South’s military guard post in Cheorwon County, Gangwon Province, was an “accidental misfire,” sources said November 4. “Through its own investigation, the military secured a string of substantial evidence suggesting that the incident was an accidental misfire.” a Seoul official said. “I understand that the U.N. Command, which conducted an onsite inspection to check whether the North violated the armistice, will announce that a probe concluded that the firing was a misfire as early as Friday.” The U.N. Command is known to have discovered evidence that led military officials to conclude the firing as a misfire. Of the two shots, the first hit a thermal observation device installed at the South’s guard post while the other shot fell at a site nearby. Had the North aimed for the guard post, the two shots would have hit spots close to each other. In addition, the North’s guard post unit that opened fire at the South was replaced and deployed to the military demarcation line a week before the firing. When surveillance troops are replaced, they generally inspect weapons installed at guard
posts, including 14.5-millimeter machine guns, and a misfire is not uncommon in the process. Two North Korean officers were seen calling out and beating a soldier who presumably fired the machine gun. The Seoul official said, “The beating might have been punishment for the soldier’s misfire.” “The timing of the firing was immediately after the change from day to night shift by the South Korean military,” the official said. “Our senior petty officer was patrolling a barbed wire on the border, and upon hearing two shots, he inspected the site around the guard post and confirmed that one of the shots hit the thermal observation device. Under the device, the petty officer picked up 14.5-millimeter bullets used by the North Korean military.” Three shots the South Korean military fired in response to the North’s firing hit gun ports at the North’s guard post. The South’s military fired retaliatory shots and broadcast warnings twice while issuing an emergency alert in the area. Because of no unusual hints of movement afterwards, the military lifted the alert three hours later. (Dong-A Ilbo, “N.K. Machine Gun Shots at Frontline Deemed ‘Misfire,’” November 5, 2010)

Lee Myung-bak, South Korea’s president, has called on North Korea to emulate China’s economic model, as only “common prosperity” and peace could lead to an eventual reunification. Lee’s remarks in an interview may surprise observers who have detected frustration from Seoul about Beijing’s refusal to condemn Pyongyang over the sinking of a South Korean warship in March. But Lee said he knew China’s private views differed from what it said in public to preserve stability on the peninsula. “I would really like [North Korea’s] chairman Kim [Jong-il] to see a lot more of China, the China of today, witnessing with his own eyes the result of what can happen to a country’s prosperity when you open up to the world,” Lee said. Andrew Gilholm, senior North Asia analyst at Control Risks, a consultancy, said Lee was being highly optimistic. “North Korea could not really survive sweeping reforms of that kind. China could successfully keep the economic and political spheres separate but North Korea is much more fragile,” he said, adding that only the demise of the Kim dynasty would make unification likely. However, peace remains elusive. Lee said Pyongyang remained a “belligerent” force after one of its submarines torpedoed a South Korean ship in March. He also stressed there was no sign of a detente from Pyongyang while Kim Jong-eun, the third son of Kim Jong-il, was being styled for power. Earlier this year, Lee proposed a unification tax to help prepare for the costs of a united Korea. He denied he had proposed this levy due to fears the North could suddenly collapse, but to remind South Koreans of future challenges. Despite his call for Kim to take economic inspiration from China, Lee stressed it was “unpalatable” for Seoul that Pyongyang fall even more deeply under Beijing’s political influence. But it was equally unpalatable for the south that internal divisions in the north could provoke a sudden collapse, he said. The best he could hope for was gradual reform. “North Korea will change, albeit in a very slow fashion,” he said. (Christian Oliver and David Pilling, “Seoul Urges N. Korea to Emulate China,” Financial Times, October 29, 2010, p. 1)

The leaders of South Korea, Japan and China have agreed that they won’t rush to resume the six-party talks on North Korea’s nuclear program until they can have “discussions that can produce tangible results,” Cheong Wa Dae spokesperson Kim Hee-jung said. At a three-way summit in the Vietnamese capital on the sidelines of separate talks with
the leaders of ASEAN member nations, President Lee Myung-bak, Japanese Prime Minister Kan Naoto and Chinese Premier Wen Jiabao shared the common goal of denuclearizing Pyongyang based on close cooperation and strategic partnerships. During their discussions, Wen stressed that the nuclear talks should not be just for talks, but produce tangible results to move the denuclearization process forward, and Lee and Kan agreed with him, according to the spokeswoman. Kim, however, remained cautious on whether China, which had called for an early resumption of the stalled six-party talks, was changing its position on the matter. “We should wait and see. But the leaders shared a common understanding that past negotiations failed to properly address the North Korean nuclear threat,” Kim told reporters. (Na Jeong-ju, “Korea, Japan, China in No Rush in 6-Way Talks,” Korea Times, October 29, 2010)

Jeff Bader, NSC senior director for Asian affairs, said in a separate briefing that North Korea must apologize for sinking the Cheonan and show commitment to denuclearization before the talks can resume. The Obama administration will not continue to reward North Korea just because it is returning to talks after brinkmanship, Bader said. (Yonhap, “S. Korea, China, Japan Discuss Reopening Six-Party Nuclear Talks, North Korea Newsletter, November 4, 2010)

Hundreds of South Koreans arrived at North Korea's mountain resort for a long-awaited reunion with family and kin they haven’t seen for some 60 years after a war and national division separated them. The 97 families, or more than 430 people who ranged from 12 to 96 in age, had registered their names Friday at makeshift Red Cross offices set up at South Korea’s resort in Sokcho, 213 kilometers east of Seoul on the coast. (Sam Kim, “Hundreds of S. Koreans Arrive in N. Korea for Their First Family Reunions,” Yonhap, October 30, 2010)

At the reunion of families separated by the Korean War, four men who attended from the North were discovered to be former South Korean soldiers listed as Missing in Action. After 60 years, they were found to be alive and well - and allowed by Pyongyang to attend the reunions. Their appearance has revived a tug of war between Seoul and Pyongyang over MIAs and prisoners of war stranded above the military demarcation line, along with South Koreans abducted by the North. The South Korean government believes there are roughly 500 POWs still alive who were forced to stay in North Korea after the war, and about 400 civilians abducted by North Korea during and after the Korean War. Pyongyang insists that there are no POWs, and that every South Korean living in the North does so voluntarily. The 79 South Koreans who have escaped since 1994 tell a very different story. Seoul has continuously tried to confirm the status of those who are missing - and one route is to ask for men on the POW list to be allowed to attend reunions. But since the second family reunions in 2000, North Korea has refused to confirm the status of 193 out of 262 POWs and missing persons. Last month, the South Korean Red Cross handed over a list of 200 possible reunion candidates, which included 26 men on Seoul’s list of POWs and kidnapped South Koreans. North Korea informed the South that the status of 25 of the 26 could not be confirmed, according to the Ministry of Unification yesterday. North Korea said the final man, Seo Pil-hwan, was dead. With the appearance of the four former South Korean soldiers on Sunday, analysts believe North Korea is getting ready to bargain further on
the POW issue. North Korea described the four former soldiers as people who volunteered to reside in the North after the war. Since the South listed them as MIA, their names had not been included on any POW or kidnapped list. According to North Korea analysts, North Korea may by trying to get Seoul’s attention by showing the four MIAs, after which it will continue to deflect any questions about POWs - until it needs a bargaining chip in the future. Analysts say it might even go so far to cooperate in confirming POWs and kidnapped persons if some compensation for their release is offered. “The North Korean government is being deliberately negligent in its confirmations for the family reunions,” said a Unification Ministry official, “because they may be saving the POW card for later, for something in return.” (Christine Kim, “The North’s New Tack: Playing the POW Card,” JoongAng Ilbo, November 4, 2010)

Beijing rejected Prime Minister Kan Naoto’s overture to meet yesterday in Hanoi with Chinese Premier Wen Jiabao, because Japan had "ruined the atmosphere" for any talks, the state-run news agency Xinhua reported, citing No. 2 diplomat Hu Zhengyue. Kan had wanted to ease recently strained bilateral relations. Hu suggested that Japan "made untrue statements" about the contents of a meeting between Chinese Foreign Minister Yang Jiechi and his Tokyo counterpart, Seiji Maehara, held earlier in the day in Hanoi, Xinhua reported. In a separate Xinhua report, Chinese Foreign Ministry spokesman Ma Zhaoxu was quoted as blasting as unacceptable U.S. Secretary of State Hillary Clinton’s recent remarks that the Japan-controlled Senkaku islands, which China claims, fall within the scope of the U.S.-Japan security treaty. Jiechi and Maehara met earlier today in an attempt to repair relations soured initially by a September run-in involving a Chinese trawler and Japan Coast Guard boats near the Senkaku islets, with Japan requesting that a freeze on China’s rare earth exports that has hampered its manufacturing sector be lifted. Yang and Maehara held private talks on the sidelines of the regional summit, hoping to lay the foundation for a meeting between Wen and Kan. "The discussion took place in a good atmosphere. It was held calmly while both sides said what we should say. I believe it is likely that the leaders of China and Japan will hold a meeting here in Hanoi,” Maehara told reporters earlier after the hour-plus talks in Vietnam’s capital. Maehara said Japan "repeated its position firmly" regarding the Senkakus. Tokyo’s position is that no territorial dispute exists because the islets are part of Japan. (Japan Times, “China: Wen Will Not Meet with Kan in Hanoi,” October 30, 2010) Wen Jiabao and Kan Naoto did get together for a very brief “unofficial meeting” away from the cameras today. But that was only after Beijing had sent a strong message by cancelling what would have been the first official meeting between the two leaders since a spat that began in early September when Japan detained a Chinese fishing boat captain in disputed waters. Delegates to the summit and analysts said Beijing’s anger and resentment appeared to be directed mostly at one man: Maehara Seiji, Japan’s newly appointed foreign minister who is regarded as a China hawk and supporter of closer ties with the U.S. Chinese analysts said Beijing had identified Maehara as an obstacle in Sino-Japanese relations and was doing everything it could to undermine him since he stepped down as transport minister to take up his post. His move came just days after the arrest of the Chinese fishing boat captain in early September. The captain was later released but not until Sino-Japanese relations had deteriorated to their lowest level in at least five years. An editorial in today’s Wen Wei Bo, a pro-Beijing newspaper in Hong Kong, said it was Maehara who had insisted
on the arrest of the Chinese captain and called the minister a troublemaker who should be dismissed for harming Sino-Japanese relations. “Maehara has a long history of unfriendly words and actions towards China and since the incident his irresponsible comments have not been helpful in repairing relations,” Song Zhiyong, an expert in Sino-Japanese relations at Nankai University, told the Financial Times. “It’s not up to China to recommend who Japan should appoint as their foreign minister but Maehara must change his attitude if Sino-Japanese relations are to be repaired.” In contrast to the vitriol directed towards Maehara Chinese state media said Clinton’s meetings with the Chinese foreign minister in Hanoi on Saturday and with Dai Bingguo, the Communist party official in charge of foreign affairs, were cordial and polite. FM Yang urged the US to act cautiously and “not make any irresponsible remarks” in relation to the disputed islets, known in Chinese as the Diaoyu islands and in Japanese as the Senkakus. His meeting and the one between Clinton and Dai were described in Chinese official accounts as “candid and friendly” and filled with discussions about “dialogue, mutual trust and co-operation.” (Jamil Anderlini and Michiyo Nakamoto, “China-Japan Dispute Overshadows Proceedings,” Financial Times, November 1, 2010, p. 7) On October 21, during a meeting of the Lower House Security Committee, Foreign Minister Maehara made clear that “no such agreement exists.” Deng’s proposal was “unilateral” and never accepted by Japan. To have agreed to shelve the issue would be to admit the existence of a territorial issue, where none exists. Japan would turn down any similar Chinese proposal. In Beijing, Foreign Ministry spokesperson Ma told reporters that Japan’s denial of its acceptance of Deng’s proposal represented a “denial of historical reality.” On Oct. 24, JCG ships confirmed the presence of two Chinese fisheries patrol boats operating in the East China Sea in an area between Japan’s territorial waters and the its economic exclusive zone (EEZ). The Chinese ships left the area after being warned and, on October 25, Sengoku told reporters that Japan had protested the incident through diplomatic channels. In early November, former Foreign Minister Tang Jiaxuan traveled to Tokyo to attend meeting of the Japan-China Friendship Committee for the 21st Century. While in Tokyo, Tang met Prime Minister Kan, DPJ Secretary General Okada Katsuya, LDP Secretary General Tanigaki Sadakazu, and Keidanren Chairman Yonekura Hiromasa. Tang again advanced the idea that “in normalizing Japan-China relations, the issue in dispute (sovereignty over the Senkakus) was shelved” and “over the last four decades, there was a tacit understanding between the two countries.” (James Przystup, “Troubled Waters: Part II,” Comparative Connections, January 2011)

Japan’s foreign minister summoned Russia’s ambassador, Mikhail Bely, to protest against a visit by Dmitry Medvedev, Russian president, to a disputed group of islands seized by Moscow during World War II. Medvedev’s three-and-a-half hour visit to the islands, known in Japan as the Northern Territories and to Russia as the Southern Kuriles, was the first by a Russian or Soviet head of state. Tokyo’s move was condemned as “unacceptable” by Sergei Lavrov, Russia’s foreign minister who insisted that the “Russian president [had] visited Russian land” in comments that could further intensify the row. One Russian official told Tass that “the Japanese response is incomprehensible. Would we ask Polish permission to visit Kaliningrad?” (Mure Dickie and Charles Clover, “Medvedev’s Kurile Trip Riles Japan,” Financial Times, November 2, 2010, p. 6) With polls showing that 80 per cent of Russians favour keeping all four of
the islands, the dispute offers Mr Medvedev an opportunity to stand up for his country's interests. “It’s an issue that the majority of the people here feel very strongly about. And Medvedev wants to balance the image of the liberal pro westerner and take the middle ground,” Dmitri Trenin, head of the Carnegie Moscow Center, said. The island visit added to pressure on PM Kan Naoto to show that he can defend national interests. Opposition parties were quick to paint the visit as the result of an incoherent foreign policy by the Democratic Party of Japan. “This is a demonstration of the lack of diplomatic ability of the Kan administration,” said Ishihara Nobuteru, Liberal Democratic Party secretary-general. Russian commentators agreed that Japan’s weak diplomatic responses made it an easy target. “Japan’s foreign policy is in complete disarray,” said Alexander Panov, dean of the Russian diplomatic academy in Moscow and former ambassador to Japan from 1996-2003. “It is basically a case of Japan not wanting to recognise the results of World War II. Japan was the aggressor, and it lost territory. Under what justification do they want them all back?” (Charles Clover and Mure Dickie, “President’s Tour Puts Focus on Historic Conflict,” Financial Times, November 2, 2010, p. 6) A diplomatic clash between Japan and Russia over disputed islands intensified on November 2 when Japan summoned home its ambassador to Moscow. (Martin Fackler, “Japan Summons Envoy to Russia over Kurile Islands Dispute,” New York Times, November 3, 2010, p. A-6)

11/2/10 Republicans gain 60 seats and control of the House 239-188, pick up six Senate seats, leaving Democrats with 53-46 and 2 independents who caucus with the Democrats. The Republican gains in midterm elections say a lot about how the American public wants the government to rule here at home, but very little about what it should do abroad. Unresolved wars in Iraq and Afghanistan are taking their toll in American lives and capital, nuclear tensions are simmering with North Korea and Iran. But voters weren’t asked to either approve or reject President Barack Obama’s view of the United States’ role in global affairs. It wasn’t on the ballot. “I can’t think of an instance in recent times in which foreign policy was less prominent,” said Andrew Kohut, president of the Pew Research Center. (Barry Schweid, “Analysis: Election Campaign Ignored Foreign Policy,” Associated Press, November 6, 2010)

“We believe that North Korea owns 40kg of plutonium and continues attempts to miniaturize atomic weapons,” Defense Minister Kim Tae-young told lawmakers. Kim’s assessment on North Korea’s plutonium stockpile is about 10kg less than what the United States estimates. The U.S. believes North Korea had produced about 50kg of the weapons material, which experts say would be enough for six to eight atomic bombs. (Yonhap, “N. Korea Estimated to Have 40 Kilograms of Plutonium: Defense Minister,” November 2, 2010)

China has rebuffed a US proposal to act as a mediator between Beijing and Tokyo over disputed islands in the East China Sea, describing the US approach to the issue as “very wrong”. Ma Zhaoxu, a spokesman at the Chinese foreign ministry, said that the dispute should be handled by Japan and China. He also denounced US statements that the islands, which the Chinese call the Diaoyu and the Japanese the Senkakus, were covered by U.S. defense agreements with Japan. “The U.S. side has repeatedly claimed that the U.S.-Japan security treaty applies to the Diaoyu islands. This is very
wrong. The U.S. side should immediately correct this erroneous position,” Ma said in a statement on the ministry’s website. At a regional summit at the weekend, SecStae Hillary Clinton said Washington could host trilateral talks over the islands. However, Mr Ma said: “I want to stress that this is only a US idea. The Diaoyu islands are Chinese territory and the dispute between China and Japan over them is one between the two countries.” Despite the Chinese statement, Mrs Clinton repeated the suggestion today. “The offer that I made to host a trilateral with both Japan and China that would facilitate dialogue stands,” she said at a news conference in Malaysia. (Geoff Dyer, “China Shuns U.S. Offer to Mediate in Island Dispute,” Financial Times, November 3, 2010, p. 8)

11/3/10

The South Korean Navy fired warning shots at a North Korean fishing boat on after the vessel strayed across the two Koreas’ border on the Yellow Sea, the Defense Ministry said. The North Korean boat then retreated to the northern side of the line, the ministry said. The episode on Wednesday came a week before the opening of the Group of 20 economic summit meeting, which is scheduled for November 11 and 12 in Seoul. President Lee Myung-bak did not mention the episode at a televised press conference, although he said the government had extensive security procedures in place for the Group of 20 meeting. “Regarding North Korea, I believe they will be responsible during the Seoul summit,” Lee said. “We don’t envisage North Korea engaging in any inappropriate activities.” (Mark McDonald, “South Korea Fires a Warning Shot at a Northern Vessel,” New York Times, November 3, 2010, p. A-10)

The Obama administration sees no reason to change its policy of pursuing North Korea’s denuclearization through six-party talks even after the Republicans take control of the House in January, a senior White House official said. “There is a long history of bipartisan consensus on North Korea policy,” the official told reporters, asking for anonymity. “I don’t see a reason why change in the leadership in the House of Representatives will lead to an alteration of America’s basic commitment, which has been consistent through both our Republican and Democratic administrations, that North Korea needs to completely and verifiably denuclearize, end its belligerent and provocative behavior, especially towards South Korea.” “Since the Obama administration now realizes there is little likelihood that North Korea would ever abandon its nuclear weapons, Washington sees little incentive for returning to the six-party talks,” Bruce Klingner, senior fellow at the Heritage Foundation, said. “If anything, the Republican-led Congress will call on the Obama administration to strengthen measures against North Korea,” the scholar said. “The Obama administration has developed a good strategy, but it has been weakly implemented with no efforts against the suppliers and customers of North Korean illicit activities and violations” of U.N. resolutions. (Hwang Doo-hyong, “Obama Not to Change N. Korea Policy despite Republican Control of House: White House,” Yonhap, November 3, 2010)

A journalist discovered a clamshell with white substance inside the propulsion system of the torpedo presented by the Joint Investigation Group as the decisive evidence in the sinking of the Cheonan. The “Three Press Groups’ Verification Committee of the Results of the Cheonan Investigation,” composed of the Journalists’ Association of Korea, PD Association of Korea and National Union of Media Workers, said that inside
the second propeller in the back of the propulsion system, they found a piece of a bivalve shell, a clamshell. At the edge of the clamshell was white, flower-shaped substance, and the groups say this clamshell is strong evidence of the fact that the torpedo had nothing to do with an attack on the Cheonan. The committee claimed the white substance showed that the clam had been inside the propulsion system before excreting the substance. Prior to this, a blogger by the nickname of “Autumn Night” posted on the political webzine Surprise on November 1 a zoomed-in photo and analysis of the clamshell, which was inside one of six 2cm holes in the central part of the screw. After the issue was raised, the Defense Ministry removed the clam from the torpedo propulsion system, which was on display at the War Memorial of Korea, and released the findings of its analysis on Thursday. In a press release, the ministry said the substance inside the hole in the screw was not a living shell but a broken clamshell (2.5cm x 2.5cm). It said it appeared the broken shell was loosely wedged into the hole, and they judged the shell entered the hole in the propulsion of the torpedo propulsion system after the explosion as tides swept it from the sea floor. The ministry claimed the white substance could have entered the hole at the same time as the clamshell, or that some of the large amounts of substance attached around the screw moved into the hole afterwards by way of the tides. In response, the Three Press Groups’ Verification Committee of the Results of the Cheonan Investigation slammed the Defense Ministry for unilaterally removing the clam and destroying the white substance, ignoring the demands of evidence preservation. (Kwon Hyuk-chul, “Clamshell Covered in White Substance Discovered on Cheonan Torpedo Fragment,” Hankyore, November 5, 2010)

Choe Yong Rim, member of the Presidium of the Political Bureau of the Central Committee of the Workers’ Party of Korea and premier of the DPRK Cabinet, who is on an unofficial working visit to the northeastern region of China, met and had a talk with Zhang Dejiang, member of the Political Bureau of the Communist Party of China and vice-premier of the State Council of China, in Changchun, Jilin Province [today]. (KCNA, “Choe Yong-rim Meets Chinese Vice-Premier,” November 5, 2010)

Jeffrey Lewis: “Much of the rhetoric about extended deterrence reflects myths about the role and purpose of US nuclear weapons. … The two myths are, first, that there is something called “the nuclear umbrella” and, second, that there are US nuclear forces allocated for missions under that umbrella. There is no such thing as ‘the nuclear umbrella.’ The United States does not have specific commitments to aid allies under nuclear attack, beyond the commitment more generally. Nor does the United States have any obligation to use nuclear weapons in a particular circumstance. Nor are there are no ‘special’ nuclear weapons that exist for the purpose of extended deterrence, as distinct from the central arsenal that deters attacks on the United States. There is a great deal of misunderstanding on both these points, reinforced by political expediency. One US Administration after the other has told allies what they wish to hear, calculating that a little loose rhetoric is surely less harmful than an anxious ally. I believe that this has been a short-sighted policy and, over-time, is detrimental to allied security. Allies have been allowed to develop dramatically exaggerated notions of the role that nuclear weapons play in their defense. As I will discuss in the third section of the paper, I believe it is very unlikely that the United States would actually use a nuclear
weapon on the Korean Peninsula. ...The long-term effect of the mistaken emphasis on nuclear weapons has been to generate a steady stream of unnecessary anxiety on the part of American allies as the United States reduces its reliance on nuclear weapons and retires obsolete systems. This anxiety, and short-term efforts to manage it, distract from the truly important shared interests that make credible the US commitment to peace and security in Northeast Asia. It is easy to see why US allies might believe there is something called the “nuclear umbrella” since 2006, for example, the US-ROK Security Consultative Communiqués have included the term ‘nuclear umbrella.’ Yet, there is no legal meaning to this term. It does not refer to a treaty provision or US policy. There is not specific treaty or agreement that obligates the United States to any particular course of action in the event of a nuclear attack. All of the NPT-nuclear weapons states, including the United States, maintain a general assurance that they will come to the aid of a non-nuclear weapon state attacked or threatened with nuclear weapons. There is no specific commitment to use nuclear weapons in a particular situation. What does exist are US security commitments, usually in the form of security treaties. The so-called ‘nuclear umbrella’ exists only because the United States is pledged to defend Japan and South Korea and happens to possess nuclear weapons. The rest is left to the imagination. How to demonstrate that a general commitment to the security of allies translates into a realistic threat that the United States might use nuclear weapons in response to at least some threats has been the principle problem of extended deterrence since the beginning of the Cold War. The United States has labored mightily to convince allies that its defense commitments extend to the use of nuclear weapons though indirect means, such forward deploying nuclear weapons during the Cold War in Japan (until the revision of Okinawa in 1972) and South Korea (until their withdrawal in 1991). In Europe, this assurance also took the form of allied “dual-capable” aircraft, although the United States was not obligated to provide nuclear weapons even in the event of an attack. There are no special’ nuclear forces for theater missions With the withdrawal of US nuclear weapons from Japan and Korea, as well as the decision to remove nuclear weapons from US surface ships and attack submarines, the United States no longer maintains any nuclear weapons in Northeast Asia. As a result, the United States has sought new ways to communicate that its defense commitment to South Korea and Japan has a nuclear component. Previous US Administrations have attempted to argue that particular nuclear weapons either ‘belong’ or are “allocated” for particular countries. This can be literal – the maintenance of dual capable aircraft by Germany, Belgium, the Netherlands, and Italy. Or it can be implied by the maintenance of otherwise redundant capabilities, like the nuclear Tomahawk missile or TLAM-N. This Administration has tried to argue that the decision to make nuclear-capable its new combat aircraft, the F-35, and to refurbish the B61 nuclear gravity bomb are large investments intended solely for the purpose of maintaining extended deterrence. Furthermore, the Administration points to the ability to deploy US heavy bombers in Guam as another tangible sign of its commitment. This continues a long US practice of pointing to obsolete capabilities as political symbols that are completely divorced from the actual strategic planning. In reality, the US nuclear deterrent for Japan and South Korea is the same as the US nuclear deterrence for New Jersey and South Carolina. In the very unlikely event that the United States were to use nuclear weapons on the Korean Peninsula, it would not go through the trouble to forward deploy nuclear weapons in Guam, Japan or South Korea. Nor
would the United States use nuclear weapons based on ballistic missiles, either at sea or in hardened silos in the Great Plains. Instead, the United States would most likely use gravity bombs from B2 bombers that would operate out of Whiteman Air Force Base in Missouri. During conventional operations over the former Yugoslavia, Afghanistan, and Iraq, B2 aircraft conducted many sorties operated out of Whiteman Air Force Base and back. (Eventually, the United States forward deployed some B2s to Diego Garcia in the Indian Ocean and an undisclosed forward operating base.) North Korea, at about 6,500 miles from Whiteman Air Force Base, is further than Kosovo, but not quite as far as Afghanistan. There is very little reason that the Air Force would go through the additional trouble of flying nuclear weapons to a forward location when North Korea is in range of US strategic bombers in Missouri. The United States has, of course, exercised forward deploying B2 bombers to Guam (Polar Lightning). But the resulting mission 4,000 miles to Alaska demonstrates that the United States is mostly interested in operating the B2 at great distances from its targets. The United States would probably not use nuclear weapons against North Korea Since the end of the Cold War, the United States has developed nuclear strike options against countries like North Korea. Yet the reality of this planning is much different than one might suppose. The most important observation is that the United States would not retaliate against cities, as it did at Hiroshima and Nagasaki. Of course, there is what is called existential deterrence—the threat that arises from the existence of the weapons. Who knows what a President might do in anger? But the practical reality is that, in creating strike passages, US military planners are keenly aware of the laws of war. The reality is that, in addition to a nuclear use, there would need to be a compelling military rationale. There is, in North Korea, the possibility that some hard and deeply buried targets may be too difficult to destroy with conventional weapons. But it is also possible that many of these targets will be difficult for even nuclear weapons to destroy. The principle US nuclear weapons for holding hard targets at risk are a pair of gravity bombsthe B83 and the B61 Mod 11. The B61 Mod 11 is an earth penetrating weapon, which digs a few feet into the ground in order to couple the explosion to the earth and send a shockwave that could crush a nearby bunker. The effectiveness of such a weapon depends greatly not merely on the hardness of the target, but also the proximity of the explosion. As a result, the accuracy of intelligence continues to be an issue. The United States is not very likely to have that sort of intelligence in North Korea. As Lt. General Patrick Hughes, then-Director of DIA, explained in the late 1990s, North Korea is ‘just a real hard target’ for intelligence gathering. That is precisely the kind of ‘hard target’ that nuclear earth penetrators cannot destroy. Moreover, earth penetrators tend to be extremely large, in order to generate enough shock to crush the bunker. The B83 is a one-megaton nuclear weapon, while the B61 Mod 11 is several hundred kilotons. Far from being “mininukes’ or “low yield,” these are among the largest nuclear weapons in the US arsenal and their use would create a significant amount of fallout. As a result, it appears quite unlikely that, in the event of a nuclear use on the Korean peninsula, that the United States would actually execute a strike package that included nuclear weapons. An interesting parallel is the 1991 Gulf War, when the Bush Administration examined, then rejected, options involving nuclear weapons. As General Charles Horner, who command US Air Forces in the war later explained, ‘I came to the realization that nuclear weapons had very little utility during the Gulf War, when I realized that even if Saddam Hussein used a nuclear weapon on us, we would have to
retaliate on a conventional basis.' Yet, the United States has continued to argue that nuclear weapons capabilities are an important element of the US defense commitment to Northeast Asia. Why? One reason is a fear of proliferation. US policymakers have long worried that Japan or South Korea might feel compelled to develop their own nuclear weapons. As a result, there is an effort to try to demonstrate that the US defense commitment, including US nuclear weapons, obviates independent Japanese and Korean nuclear arsenals. This creates practical problems of how to demonstrate that the US defense commitment is nuclear in character. Initially, this was done with the forward basing of US nuclear weapons. As local opposition to US nuclear weapons resulted in the eventually withdrawal of US nuclear weapons from Northeast Asia, US policymakers in both Democratic and Republican Administrations have pointed to specific weapons systems that are ‘allocated’ for Asian missions. I believe that this has been a mistake. Not only does it not accurately reflect US nuclear weapons planning, I believe this policy results in long-term anxiety. US allies are told a weapon, like the nuclear Tomahawk, is crucial to extended deterrence in Northeast Asia, only to then be told it is obsolete. This anxiety, and short-term efforts to manage it, distract from the truly important shared interests that make credible the US commitment to peace and security in Northeast Asia. Rather than focusing on extended deterrence and nuclear capabilities in particular, I would suggest we think about what might be called “extended defense”what are the actual capabilities that the United States and its allies in Northeast Asia would procure and deploy to deal with the most urgent threats? These are increasingly missile defenses and antisubmarine warfare capabilities, not nuclear cruise missiles and bomber bases.” (Jeffrey Lewis, Director of the Nuclear Strategy and Nonproliferation Initiative at New America Foundation, “Rethinking Extended Deterrence in Northeast Asia,” NAPSnet, November 3, 2010)

Vice Unification Minister Um Jong-sik said that it is inappropriate to link family reunions to economic assistance. Still, he said, “Should family reunions be regularized ... it would be conducive to creating public sentiment for aid provision to the North,” Um said in a radio interview, adding that any massive aid to the North would be beyond a humanitarian level that Seoul has said it is willing to offer. (Yonhap, “S. Korea Urges N. Korea to Hold Regular Family Reunions, Holds out Prospect of Aid,” November 4, 2010)

Malnutrition among North Korean children is a serious problem while aid to the impoverished state does not sufficiently reach those in the most need, the chief of the U.N. food agency said after wrapping up a trip to Pyongyang. “I saw a lot of children already losing the battle against malnutrition,” Josette Sheeran, executive director of the World Food Program (WFP), told reporters in Beijing, according to Reuters. “Their bodies and minds are stunted so we really feel the need there...We want to make sure we reach the most vulnerable children.” Sheeran met with Kim Yong-nam, president of the Presidium of the Supreme People’s Assembly, and toured food factories on her trip that began on the 2nd. “We are most concerned because our program is only 20 percent funded. We are having pipeline breaks in supply,” she said. Last week in Seoul, Sheeran appealed to the world for funds to support the agency’s North Korea program. Some 1.5 million of the 23 million in the North need food, but the WFP is only able to
reach 671,000, with the focus being on children, the agency said. (Kim Young-jin, “N.K. Children Malnourished, Need Aid,” Korea Times, November 5, 2010)

Jack Pritchard visited Yongbyon. “We have learned rather serious lessons to not believe anyone. So to solve the energy problem in our country, we need to rely on ourselves. Therefore, we made the political decision to develop our own Light Water Reactor. And during the absence of Six Party Talks, we have begun construction on an LWR. We are doing our best to complete the LWR fuel cycle with no more wasted time. We are mobilizing R&D efforts and research to enhance our nuclear capacity,” a senior official from the General Bureau of Atomic Energy told KEI’s Jack Pritchard and Nicole Finnemann on November 5, 2010 at the Yongbyon Nuclear Facility. Pritchard’s report follows. Highlights:

- Discovery of a 100 Megawatt (thermal) Light Water Reactor under construction
- Discovery that North Korea’s uranium enrichment facility was located at Yongbyon
- An attempt by senior North Korean officials to portray a stable leadership situation
- A desire by North Korea to return to Six Party Talks for the purpose of discussing a peace treaty and the removal of sanctions, but no indications that Pyongyang was serious about denuclearization
- Continued denial of any participation in or responsibility for the sinking of the South Korean ship Cheonan

On November 2-6, KEI President Jack Pritchard and KEI Director Nicole Finneman visited Pyongyang to discuss with North Korean officials the current state of North Korea’s foreign relations and gain a better understanding of the changes that have taken place in North Korea since their last visit in 2009. Their trip not only included extensive meetings with Ambassador Li Gun, Director General of North American Affairs of the DPRK Ministry of Foreign Affairs and First Vice Minister Kim Gye Gwan, but also an unanticipated visit to the Yongbyon nuclear facilities where the KEI team were the first foreigners to see the beginnings of a light water reactor and evidence of an uranium enrichment program. At the Yongbyon site, Pritchard and Finneman were briefed by officials from the General Bureau of Atomic Energy on the current status of the 5 Megawatt (electric) graphite reactor and the construction of a new 100 Megawatt (thermal) Light Water Reactor (LWR). Up to this point, the U.S. and South Korean intelligence were unaware that the mysterious construction site at Yongbyon was actually the foundation for a new indigenously built LWR. Later, the findings were immediately reported to appropriate U.S. government officials and shared with Dr. Siegfried Hecker, Stanford University professor at the Center for International Security and Cooperation, who was visiting the same facilities the following week. In the discussion with the Director of the Safeguards Division of the General Bureau of Atomic Energy, he said that North Korea had always preferred to have a Light Water Reactor, but the lack of technology had forced North Korean scientists and engineers
to construct a graphite moderated reactor years ago. Now with some advancement, the government has decided to build an indigenous experimental 100 MW (thermal) light water reactor. That said, the official initially acknowledged the difficulties of procuring key components because of international sanctions, but ended by assuring the KEI team that North Korea was capable of building the reactor without any outside assistance. It was described as an experimental reactor that the North Koreans wanted to build on their own to gain the technology and construction experience before moving on to larger LWRs capable of producing significant amounts of electricity. When asked how long it would take to complete the reactor, the Director indicated that because this was their first attempt at building an indigenous LWR, they were uncertain of their timetable and what challenges that would emerge. Later, he later modified his estimate for completion by 2012, the 100th anniversary of the birth of Kim Il Sung. During the course of these briefings, North Korean officials inadvertently revealed the existence and location of their little known uranium enrichment program. The program was located at Yongbyon as well. At Pritchard’s urging to North Korea’s leadership to be transparent and avoid the path that Iran was on, officials later opened up their uranium facility to Dr. Hecker whose visit followed just after the KEI meetings. At an event hosted by KEI, Dr. Hecker reviewed his visit to Yongbyon and detailed the astonishingly modern uranium enrichment facilities including a control room that was comparable to any found in American production facilities. In addition, the facility contained 2000 centrifuges that were said to be for the production of low-enriched uranium to fuel the LWR. Hecker’s full report is available on KEI’s website. Pyongyang understands from its discussions with China that the United States, South Korea and Japan are not ready to rejoin Six Party Talks, so North Korea will not be in any haste to push the restart of the Talks. But, Pyongyang was interested in trying to get various international sanctions lifted. Furthermore, North Korean officials said that as long as normalization was missing, denuclearization was not possible. They proposed parallel movement on achieving a peace regime and normalization, saying that it was not practical to make progress on any one issue without making progress on others. They stated any future discussions of denuclearization would focus on the entire peninsula implying a continuing concern by North Korea that there were U.S. nuclear weapons in the South. One official stated that the North Korean military believed the U.S. had nuclear mines along the DMZ. North Korea continued to deny any involvement in the sinking of the South Korean vessel Cheonan, declaring that the United Nations Security Council Presidential Statement had put an end to the incident. Officials then went on to refute the South Korean investigation by saying that the report cites that remnants of a North Korean torpedo found in the vicinity of the sinking were composed of an aluminum alloy whereas North Korean torpedoes are made of a metal alloy. When asked about a straightforward statement of regret over the loss of life, the North Korean officials cited a previously published statement by the National Defense Commission on April 17 which said: “Though the sunken large ship belongs to the south side, we have so far regarded the accident as a regretful accident that should not happen in light of the fact that many missing persons and most of the rescued members of the crew are fellow countrymen forced to live a tiresome life in the puppet army.” A striking difference from the 2009 trip was the cleaner and more modern look to the city of Pyongyang. The city has been undergoing construction and beautification during the last few years, which
appears near completion. In addition, Pyongyang’s famous women traffic guides have also been pushed aside by new traffic light systems leaving the all too familiar white circles in the middle of the intersections noticeably empty. Now, these guides can be seen off on the sides of the roads serving more secondary roles. Finally, another intriguing change has been the increase in the public use of cell phones. The number of cell phones in operation grew from 50,000 in 2009 to over 300,000 this year. Ministry officials appear comfortable sending text messages on their wireless phones. That said, handsets are reportedly still prohibitively expensive and still not affordable except for elites. While the trip involved a number of individual meetings and visits to various organizations and locals, the general message the North Koreans attempted to convey to Finnemann and Pritchard was that the power transition to the next generation was under control and proceeding smoothly. They indicated that Kim Jong Il was healthy and that they were pleased to be able to serve the “young general” in the future as Kim Jong Un had just been elected vice chairman of the Central Military Commission of the Korean Workers Party. Moreover, Pyongyang would not wait for the United States to reengage it, but rather North Korea was confidently moving forward with its own plans for 2012 as demonstrated by the LWR construction, the revelation of the uranium enrichment facility, and its willingness to display it to the world. (Korean Economic Institute, Korea Insight, December 2, 2010)

Kim Yong Nam, president of the Presidium of the DPRK Supreme People's Assembly, met and had a talk with former Minister of Cooperation of France Bernard Debre, member of the National Assembly from the People’s Movement Union, and his companion who are on a visit to the DPRK, at the Mansudae Assembly Hall [today]. (KCNA, “Kim Young-nam Meets Former French Minister,” November 5, 2010)

In a shift that could pave the way for new talks on the dismantling of North Korea’s nuclear weapons program, the South has quietly abandoned its demand that the North apologize for the sinking of a South Korean naval vessel, no longer making that a condition for the nuclear talks or other future exchanges. President Lee Myung-bak, in an interview at the Blue House, the presidential residence, said he would instead be looking for “sincerity in North Korea’s behavior” before returning to the six-party talks on disarmament. When pressed about an apology as a condition, he twice declined to say it was still a requirement. “We lost valued lives, and that’s why the issue is so sensitive to us,” said Lee, who came into office in early 2008 on a pro-business and free-trade platform that also called for a new, hard-line approach to North Korea. “For the resumption of dialogue in any form, North Korea has to show genuine interest and sincere behavior.” A senior official in Lee’s government, speaking on the condition of anonymity because of the delicacy of the nuclear issue, affirmed that the South was still angry about the sinking, but that negotiations could resume without an apology. Like the president, he also used the term “sincere behavior,” but he declined to specify what that behavior might include. A top aide in the president’s office also privately confirmed the policy change, saying an apology was “not a precondition to resuming the talks.” Most political analysts in the South believe a North Korean apology for the Cheonan sinking is highly unlikely. But Lee said, “I think we shouldn’t rule out a North Korean apology,” adding, “I wouldn’t be 100 percent sure” about not getting one. Lee suggested in the interview that an apology would be a wise “strategic decision” by the
North, a move that could result in shipments of food and other humanitarian assistance from South Korea. (Mark McDonald, “South Korea Drops Its Call for Apology from North,” New York Times, November 9, 2010, p. A-4) Officials have recently suggested that the apology is not a prerequisite to having the talks resume. "With regard to the six-way talks, whether North Korea has the will to denuclearize is the more important condition than the Cheonan issue," the Cheong Wa Dae official told reporters. The official, however, stressed that Seoul’s position on the nuclear talks does not mean it has abandoned the Cheonan issue. "Even if we do not set the Cheonan issue as a direct condition (for the resumption of the talks), it can be one of the important barometers in judging North Korea’s sincerity," he said. "For now, the Cheonan issue is the most important factor in inter-Korean relations." (Lee Chi-dong, “Ship Sinking Not Directly Related to Nuclear Talks: Official,” Yonhap, November 9, 2010)

Jo Myong-rok, first vice-chairman of North Korea’s National Defense Commission, has died of chronic heart disease at the age of 82, KCNA reported. Jo is especially known for his visit to the U.S. in October 2000, during which he met with then President Bill Clinton and Secretary of State Madeleine Albright as the Cold War foes sought reconciliation. (Yonhap, “N. Korean Military Leader Jo Myong-rok Dies of Heart Disease,” November 7, 2010)

PM Kan Naoto said Tokyo and Seoul need to seek full-fledged cooperation on security affairs in tandem with ever-growing economic and cultural exchanges between the neighboring nations. "I think Japan and South Korea have reached a stage to think about cooperation in the security sector as well as politics, economy and culture fields," Kan said in an interview with Yonhap. It was his first interview with South Korean media since taking office in June. He said it is a "very important task to establish forward-looking Japan-South Korea relations and strengthen their connection, along with deepening a robust Japan-U.S. alliance, for the peace, stability and prosperity in East Asia and Asia-Pacific regions." (Yonhap, “Kan Proposes Tokyo, Seoul Ramp up Security Ties,” November 7, 2010)

China has promised “concrete measures” to help Portugal, which is struggling to avert a sovereign debt crisis, with support that is expected to include purchases of Portuguese government debt. At the end of a two-day state visit by President Hu Jintao, Chinese and Portuguese officials also signed a number of bilateral commercial deals, including joint ventures in the fast-growing Portuguese-speaking economies of Brazil and Angola. “We are ready to take concrete measures to help Portugal overcome the global financial crisis,” Hu said. Deputy FM Fu Ying said China was committed to investing in European bonds and was ready to help Portugal. "We are definitely concerned if our friends are in difficulties," she told journalists. (Peter Wise, “China Offers Help to Debt-Hit Portugal,” Financial Times, November 8, 2010)

A joint survey by the Yomiuri Shimbun and a weekly magazine published by Xinhua has found that a record 87 percent of Japanese respondents consider China untrustworthy. Also, 90 percent of the Japanese surveyed considered relations between their country and China to be bad, another record high since the Yomiuri began the joint survey with Oriental Outlook Weekly in 2007. Among Chinese
respondents, 81 percent thought bilateral ties were bad and 79 percent said Japan was untrustworthy. The survey in Japan was carried out October 22-24 by telephone, with 1,040 people aged 20 or older across the country responding. Forty-eight percent of the respondents were men. In China, the weekly surveyed 1,045 people aged 20 or older either by telephone or via the Internet on October 19-26. Fifty-three percent were men. In response to a question about Japan-China relations in a similar poll in Japan in 2009, those saying they were good and those saying they were bad were almost equally divided at 45 percent and 47 percent, respectively. Although a simple comparison cannot necessarily be made between the 2009 findings and the results of the latest poll, as the survey in Japan last year was conducted through face-to-face interviews, feelings among the Japanese public toward China have clearly deteriorated rapidly. The previous high of those saying Japan-China relations were bad in the joint survey was 57 percent in 2008, far lower than the latest figure of 90 percent. In the 2009 survey in China, 50 percent of poll respondents deemed bilateral relations to be good, compared with 43 percent who said they were bad. Asked to cite countries they thought do or could pose a military threat to Japan, the largest number of Japanese, 81 percent, chose North Korea. With more than one answer possible, China placed second with 79 percent. (Yomiuri Shimbun, “Distrust of China Soaring, poll Finds,” November 8, 2010)

11/9/10

A UN report suggesting that North Korea might have supplied Iran, Syria and Myanmar with banned nuclear technology may be published on the Security Council’s North Korea sanctions committee today, Reuters reported. The report has been in the committee’s possession since May but was not passed to the council in line with standard procedures because of objections from China. The council will now be able to review the seventy-five page document and consider possible action against North Korea as a result of its findings. (Reuters, “Report Suggests North Korea Supplied Nuclear Technology,” Jerusalem Post, November 9, 2010)

A senior researcher at North Korea’s National Academy of Sciences has been arrested on espionage charges. A high-level North Korean source quoted rumors that Kim So-in, who is believed to have been in charge of the North’s nuclear and missile development, and his family were arrested by the State Security Department and taken to the notorious Yodok concentration camp in May. A math prodigy who received his doctorate in his early 20s, Kim was said by the state media to have been behind the supposed launch of the North’s first satellite -- an event widely believed to have been a long-range ballistic missile test. The source said Kim is accused of assisting his father Kim Song-il, a researcher at the Yongbyon Nuclear Complex, in delivering top secret documents on nuclear development to a foreign agency. The security department is nervous because many senior officials in various areas are suspected of attempting to earn dollars by selling confidential information, with top secret documents about the regime’s nuclear and missile development being leaked abroad, the source added. Pak Kyong-chol, an official in the Committee for the Peaceful Reunification of the Fatherland, has also recently been sent to a labor camp for spying, and Kim Won-bom, the chief of the Wonsan office of the North Korean military bureau in charge of earning hard currency, has been arrested after $1.5 million was found at his home. And a senior official at the Kumgang bureau of the Majon Mine has been taken into custody
for stashing away $100,000 after selling confidential information in conspiracy with military officers. (Chosun Ilbo, “N. Korea’s Chief Nuke Scientist Held,” November 10, 2010)

South Korea and Japan have begun working-level discussions on signing a bilateral agreement to share sensitive military information, including that on North Korea’s missile and nuclear threats, an official at the Ministry of National Defense said. Seoul proposed the plan in a regular working-level defense meeting with Tokyo in July to help facilitate the sharing of key military information on Pyongyang’s nuclear and missile programs, the official said. “We felt a need to share defense information with Japan in a more effective way,” the official told reporters. “The two countries have actually shared defense information but haven’t had a related agreement.” The South Korean government has a total of 21 agreements of this kind with the United States, Russia and others, he said. (Jung Sung-ki, “Seoul, Tokyo Seek to Share Defense Information,” Korea Times, November 9, 2010)


11/10/10

North Korea ruled out allowing international nuclear monitors back on its soil and freezing its atomic activities as gestures toward the resumption of six-nation denuclearization talks. An editorial in Rodong Sinmun instead demanded that South Korea retract its accusation that the communist state attacked the Cheonan, a South Korean warship that sank in March near their Yellow Sea border. “It is South Korea and the United States that have blocked the resumption process of the six-party talks by raising the Cheonan warship issue which we have no relation to,” the paper said. Commenting on South Korean Foreign Minister Kim Sung-hwan, who said last month that the North should make concessions over its nuclear arms programs before the talks can reopen, the paper called his remark “vain.” “Not only that, he is admonishing us to allow International Atomic Energy Agency monitors back in and announce the freezing of atomic facilities. Kim Sung-hwan must be unable to see what the real obstacle to the resumption of six-party talks is,” it said. In a meeting with U.S. expert Jack Pritchard, who met with North Korean foreign ministry officials in Pyongyang last week, South Korea’s Vice Unification Minister Um Jong-sik reiterated that the North should show “a responsible attitude” over the Cheonan sinking in order to improve inter-Korean relations. (Sam Kim, “N. Korea Refuses to Make Concessions before Six-Party Talks Resume,” Yonhap, November 10, 2010)

North Korea exports $100 million in weapons and missiles each year in violation of U.N. sanctions, according to a UN expert panel’s report that said Iran and Syria may be among countries that received missiles. The 75-page report, released today, also cited evidence compiled by the International Atomic Energy Agency, governments and news reports that North Korea is involved in “nuclear and ballistic missile related activities in certain other countries including Iran, Syria and Myanmar.” The report was prepared by a panel charged by the UN Security Council with monitoring the enforcement of sanctions intended to block North Korea’s development of nuclear weapons and ballistic missiles. The sanctions prohibit North Korea from exporting or
importing weapons and nuclear or missile technology. The panel concluded that although there are gaps in enforcement, UN sanctions are “having the intended impact” and have “significantly constrained” North Korea’s arms sales. The panel “reviewed government issued reports” indicating that North Korea had assisted in the design and construction of Syria’s Dair Alzour nuclear reactor, which was destroyed by an Israeli air attack in 2007. The report said the panel is investigating “suspicious” activity in Myanmar by the sanctioned North Korean company Namchongang Trading Corp., including possible sale of a magnetometer, which can be used in a nuclear centrifuge or missile guidance system. China had resisted release of the report since May. The Security Council’s imposition of a travel ban and asset freezes on eight entities and five individuals “seriously understate the number of known entities and individuals engaged in proscribed activities and are inadequate to the task of effective inhibiting” banned trade, the report said. As an example, the panel reported that Green Pine Associated replaced the sanctioned Korea Mining Development Trading Corp. and was “now responsible for about half” of North Korea’s arms exports. Representative Ileana Ros-Lehtinen of Florida, who is in line to be chairwoman of the Foreign Affairs Committee after Republicans take control of the U.S. House in January, said in a statement that the report should be a “wake-up call” for the U.S. and its allies. “It is clear that North Korea has continued to escalate its aggressive actions,” she said. “Instead of continuing its failed strategy of seeking to engage the regime in endless negotiation,” she said, President Barack Obama’s administration “must ratchet up pressure” on North Korea by seeking support for new UN sanctions from leaders at a Group of 20 summit starting tomorrow in Seoul. (Bill Varner, “North Korea Exports of $100 Million of Arms Each Year in Breach of Sanctions,” Bloomberg News, November 10, 2010)

“As room for conflict remains in Northeast Asia and Asia Pacific region, I believe that countries have no choice but to hold dialogue and cooperate,” Russian President Dmitry Medvedev said at a joint news conference with South Korean President Lee Myung-bak. “I believe there is no other option.” U.N. Secretary-General Ban Ki-moon, who like Medvedev is in Seoul for the Group of 20 summit this week, urged North Korea to rejoin the nuclear talks. “We expect that they will return to six-party talks and cooperate fully in realizing a denuclearized Korean peninsula,” Ban, a former South Korean foreign minister, told reporters. “The six-nation talks would be naturally resumed” if South Korea and the U.S. stop interfering, Rodong Sinmun said. (Associated Press, “Talks ‘Only Option’ to End N. Korea’s Nuke Program,” November 10, 2010)

Paul Stares: “Several different policy options are available to the United States and the ROK to lessen the likelihood of further dangerous incidents in and around Korea. Elements of each are already being pursued but the relative emphasis could be shifted in the future. Deterrence and Containment The United States and the ROK can continue with their efforts to deter further provocations through measures designed to reduce, on the one hand, Northern opportunism and, on the other, the likelihood that such acts would succeed. These include enhanced surveillance of disputed or sensitive areas, upgrades to ROK antisubmarine warfare capabilities, increased patrolling, and rapid military response capabilities. Since not all types of potentially provocative
behavior would be addressed by such measures, the threat of additional punitive actions for any transgressions would also act as a further disincentive. Without necessarily being specific, such threats could suggest intensified economic pressure and even proportional military retaliation. Other initiatives to limit exposure to possible coercion by North Korea, such as preemptively closing the Kaesong industrial park, could also be undertaken. The potential effectiveness of this policy approach must be carefully balanced against the risks, namely that it will intensify the North’s hostility and paranoia, potentially increase the danger of deadly interactions and accidents, and further alienate the Chinese and Russians. Such concerns could be alleviated by a less assertive deterrent posture—for example, eschewing major exercises and aggressive patrols in disputed areas as well as intrusive intelligence-gathering operations close to North Korea. At the same time, to avoid any misunderstanding of allied resolve, the United States can privately reiterate to the leadership in Pyongyang and Beijing that any initiation of major hostilities will inevitably bring about the demise of North Korea. Detente and Coexistence The United States and the ROK with China’s active facilitation could embark on a deliberate and coordinated effort to defuse tensions on the peninsula. A sequence of diplomatic moves could be orchestrated to rebuild trust and promote peaceful coexistence between the two Koreas, including, in some reciprocated order: a statement of regret if not an apology by the North for the loss of the Cheonan; a temporary suspension of sanctions and resumption of some economic assistance or humanitarian aid by the South; a deferment of large-scale military exercises in disputed areas; a moratorium on nuclear testing and long-range missile launches; international arbitration of the NLL; return of International Atomic Energy Agency (IAEA) inspectors to the main North Korean nuclear facility at Yongbyon; the resumption in some configuration of nuclear disarmament talks; and discussion of a new peace regime including security guarantees to replace the current UN armistice arrangements. Rather than making the verifiable and irreversible disarmament of North Korea’s nuclear weapons program the primary diplomatic objective on which all subsequent relaxation of tensions rests—an increasingly unrealistic prospect—capping the size and operational readiness of the existing arsenal would become the main objective. To avoid compromising larger nonproliferation goals, however, North Korea’s proclaimed status as a nuclear power would not be recognized nor would the ultimate goal of a denuclearized peninsula be abandoned. In effect, nuclear disarmament would be deferred as the price of promoting short-term stability and preventing further modernization of the North’s arsenal. The implicit hope would be that over time, more favorable conditions for nuclear reversal would emerge. Coercion and Destabilization The United States, ROK, and Japan could collectively pressure North Korea to desist from destabilizing behavior, including the continued development and proliferation of nuclear weapons. More aggressive sanctions would be imposed, particularly on sources of financial support to the North Korean leadership. Strategies employed to delegitimize the regime and stir public unrest—such as propaganda and other forms of political warfare—would also be expanded to take advantage of the North’s growing openness to external sources of information through cell phones, Internet access, and cross-border trade. Various covert actions involving cyber attacks and discrete interference with the operation of vital infrastructure and valued regime assets could also be employed to signal to Pyongyang that the United States and the ROK could
apply even more pressure if pushed to do so. However, the efficacy of an active campaign of coercion and intimidation is dubious and potentially counterproductive. Besides antagonizing China, and probably Russia too, the North Korean regime may view such tactics as a precursor to a larger assault on its very survival. Rather than cowing the regime, it could make it even more belligerent, causing it to accelerate the development of nuclear weapons and associated delivery systems, as well as engage in other provocative behavior. The net effect would make the peninsula more, not less, susceptible to renewed conflict. **RECOMMENDATIONS**

The danger that a future crisis on or around the Korean peninsula might escalate militarily cannot be responsibly discounted given the prevailing levels of mutual distrust and the current confrontational posture of forces in such close proximity. Nor should the reality of a divided Korea be viewed as immutable. The transition to new leadership in Pyongyang has begun with uncertain prospects of the outcome. The United States has a strong and abiding interest in ensuring that another Korean war not be ignited through miscalculation or misunderstanding. Accordingly, the United States should take the following steps to lessen the risk of unwanted military escalation in Korea. First, though tensions are subsiding on the peninsula from their high point over the summer, the United States and South Korea should continue to maintain their heightened vigilance through enhancements to their surveillance and intelligence-gathering capabilities. Particular attention should be given to anniversaries or upcoming events that could conceivably prove tempting for the North to conduct provocations. Both countries should also initiate a joint effort to consider the likely warning indicators associated with various unstable succession scenarios and whether current intelligence-collection and analysis capabilities would be able to detect and identify them in a timely fashion. Second, the United States should continue to reassure South Korea of its alliance commitments and also help it to fix certain defensive weaknesses identified in the wake of the *Cheonan* investigation. This includes unambiguous statements that the United States remains a steadfast ally, active participation in defensive exercises, and the provision of military assistance deemed necessary to fill any short-term gaps. At the same time, however, the commander of U.S. Forces Korea in his role as commander, U.S.-ROK Combined Forces Command (CFC), must be especially sensitive to potential U.S. and South Korean military operations that may inadvertently goad or intimidate North Korea. Joint planning to manage a range of contingencies besides full-scale war should be upgraded. Much progress has been made in recent years to improve cooperation and transparency in this regard, but there are evidently still significant gaps. There is also understandable reticence to include Japan in certain kinds of contingency planning relating to Korea, but this is shortsighted. Japan not only has legitimate reasons to be engaged in such discussions but also much to offer operationally. The U.S.-ROK-Japan Trilateral Coordinating and Oversight Group (TCOG) that used to meet regularly but lapsed in 2004 should be reactivated for this and other trilateral discussions on North Korea. Third, a concerted diplomatic effort should be made to reduce tensions on the peninsula and to contain North Korea’s pursuit of additional nuclear weapons and long-range missile capabilities. China is pivotal to this effort given its special relationship with North Korea. Encouraging Beijing to restrain Pyongyang’s provocative behavior in the interests of regional stability must continue. This entails being clear to the leadership in China about how much of a strategic liability North Korea will become if its support for Pyongyang
remains unconditional. Although China has resisted engaging in discussions of potential contingencies in North Korea—which is not likely to change—there is still value in the United States sharing its concerns to lessen misunderstanding in a crisis while also conveying a vision of a united Korea that is reassuring to Beijing. Various official and unofficial forums can be used for this purpose. Moscow should also be actively engaged with the same goals in mind as part of the larger “reset” in relations. At the same time, the United States should be realistic about the prospects that North Korea will verifiably dismantle its nuclear weapons program. While disarmament should remain a goal, it should not be a precondition for progress in other areas of arms control that are of value to the United States. Constraining the North’s production of additional fissile material, capping its development of an operationally ready nuclear arsenal, and slowing down its possession of long-range ballistic missiles are worthwhile objectives. Without precluding bilateral discussions, the Six Party Talks are still the most viable negotiating framework for pursuing these more limited goals. They also provide a de facto regional consultative arrangement in the event of sudden change in North Korea.” (Paul B. Stares, *Military Escalation in Korea*, Council on Foreign Relations, November 2010)

The likely next head of the US House Foreign Affairs Committee urged President Barack Obama to push for tougher action against North Korea at a Group of 20 summit opening. Representative Ileana Ros-Lehtinen, a Republican who stands to take over in January after her party won the House of Representatives, said the United States must act “quickly and firmly” to stop weapons proliferation from North Korea. “Instead of continuing its failed strategy of seeking to engage the regime in endless negotiation, the administration must ratchet up pressure on Pyongyang,” Ros-Lehtinen said in a statement. “At the upcoming G20 summit in Seoul, President Obama must persuade the heads of state to call for the imposition of new and effective UN Security Council sanctions on North Korea,” she said. (AFP, “Republican Seeks Obama Pressure on North Korea,” November 10, 2010)

President Obama said that the United States would be willing to restart stalled disarmament talks with North Korea if that country showed a “seriousness of purpose,” in what analysts called a slight softening of the stance by Washington and its allies. Speaking after a meeting with President Lee Myung-bak of South Korea on the sidelines of the G-20 summit meeting in Seoul, Obama said the North would have to show it was serious about ending its nuclear weapons program before the talks – involving the two Koreas, China, Japan, Russia and the United States – could resume. He said, however, that the United States, South Korea and other nations were ready to offer hefty economic aid if the North Koreans gave up their weapons once and for all. “They have a choice available to them,” Obama said. “At the point where it appears that they are in fact prepared to move forward on the kind of path that all of us want to see, then we’re going to be there ready to negotiate with them.” President Lee specified his more modest requirements, saying, “North Korea should and must show sincerity towards the Republic of Korea and assume responsibility for what they did to the Cheonan.” (Martin Fackler, “Obama Speech Marks Shift on North Korea,” *New York Times*, November 11, 2010)
President Obama said North Korea must show a "seriousness of purpose" before the U.S. will restart six-party talks aimed at curbing the country's drive to become a nuclear power. Obama said at a news conference together with South Korean President Lee Myung-bak that there would be "an appropriate time and place" to resume those negotiations, but did not clarify when that would be. Earlier in the day in a speech marking America's Veterans Day, Obama condemned North Korea for continuing on "a path of confrontation and provocation" that he says deepens its isolation from the world and worsens the poverty of its people. "We're not interested in just going through the motions with the same result," Obama said. Obama said at the news conference with Lee that the world would be ready to assist North Korea if it takes the steps necessary for talks to resume, including setting an "irreversible" path toward ending its nuclear program. "You will see a South Korea, a United States and an international community that can get them substantial assistance to help them develop their country and improve their security," Obama said. (Associated Press, “Obama Warns N. Korea over Nuclear Arms,” November 11, 2010)

President Obama and Lee Myung-bak of South Korea failed to reach an agreement on a long-awaited free-trade agreement, and said they had decided instead to give their negotiators more time to work out differences, which revolved around Korean imports of American autos and beef. The two men said during a joint news conference that expected a deal to be reached soon. By soon, Obama said, "We want this to be done in a matter of weeks." Even so, the delay is a setback for Obama, who is on a 10-day, four-nation swing through Asia that he has promoted as a mission to boost the American economy and create jobs. He has made trade – and in particular, the doubling of American exports over the next five years – a centerpiece of his agenda, and it had been widely expected that he would leave here with a deal with the South Koreans in hand. Negotiators worked furiously through the night to resolve the last-minute sticking points, and Obama and Lee spent two hours in private meetings today, part of that time alone. The two leaders discussed the trade agreement for about 40 minutes, White House officials said, but did not negotiate specific points. Ron Kirk, U.S. trade representative and chief negotiator, told reporters afterward that the United States remains committed to reaching what he described as a "compelling" deal to help the president achieve his goal of job growth and doubling exports over five years. "We think this free trade agreement can play a central role in that," Kirk said, adding that it was "absolutely not" a setback for the president. Kirk said American officials felt that the disparity in market access for the American auto industry "was one that we needed to address," despite some "very productive" discussions between American and Korean officials over the last four days. Much of that time was spent discussing autos, he said. The announcement surprised close observers of the talks. Many had expected the two leaders to walk out with a deal in hand. "It is disappointing, and it is incumbent on us to keep driving toward consensus. This is an opportunity that we can't let lapse, for economic growth in our country and also for a long-term presence in the region, particularly as it relates to China," said Representative Peter Roskam, an Illinois Republican who had met the Korean foreign minister to discuss the trade accord. "My impression was that a deal would come together at the very last minute. I am surprised." In Washington, Senator Max Baucus, the Democrat and chairman of the Finance Committee, also expressed disappointment. "The U.S.-Korea F.T.A. has the
potential to increase American exports and create American jobs,” he said. “Presidents Obama and Lee agreed in June to resolve the outstanding beef and autos issues by today’s G-20 summit so we could get this deal done.” Obama is trying to repair frayed ties with the American business community, and the deal is a high priority of the U.S. Chamber of Commerce, whose president, Tom Donohue, has said he can round up the votes to get it approved. In the three years since Bush negotiated the first free trade pact, other nations, including Australia and Canada, have implemented similar deals, and the chamber makes the case that the United States is falling behind. “The landscape in Asia has changed,” said Tami Overby, vice president for Asia at the Chamber of Commerce, who is here monitoring the talks. “It’s much more competitive so I think the pressure on both sides to get this deal done is greater than ever.” Overby said the negotiators had a “bumpy night,” but that was not uncommon. “It’s a very typical intense Korean negotiation, where things do tend to go very much to the last minute, so this is not really unexpected,” she said. “It’s a bit like déjà vu from the original negotiation.” The biggest sticking point involves auto imports. In Washington, the Democratic leadership has been pushing forcefully for lower nontariff barriers to American exports of cars to South Korea, and for eased restrictions on American exports of beef, which has been a source of controversy since an outbreak of mad cow disease in 2003. While the agreement would lower or eliminate tariffs on cars in both countries, the Obama administration pushed for further reductions in other barriers like emissions, mileage and safety requirements and tax and insurance rules. “If we can reach the standard for a fair trade agreement that the president has set out on particularly autos, we will move forward,” Jen Psaki, deputy White House press secretary who is traveling with Obama. “We hope to continue making progress.” Automakers are complaining that the South Koreans want to impose onerous fuel efficiency standards – stricter than those required in the United States – as a back-door way of keeping American cars out of South Korea. (Sheryl Gay Stolberg and Sewell Chan, “In Setback, U.S. and South Korea Fail to Agree on Trade,” New York Times, November 11, 2010, A-1)

A South Korean Unification Ministry official said, “Pyongyang has sent a letter via the Kaesong Industrial Complex suggesting that the two Koreas hold talks on November 19 to discuss restarting the tourism of Mount Kumgang.” “In response, the Unification Ministry told the North that it will deliver its answer later,” said the official, noting that the North’s proposal is still under review. (Yonhap, “N. Korea Proposes Talks on Mount Kumgang on Nov. 19: Ministry,” November 11, 2010)

South Korea and the United States will begin discussions before the end of the year on policies related to the U.S. “nuclear umbrella” as well as the specific operation of a ballistic missile defense system. The talks will be held at an Extended Deterrence Policy Committee, to be newly established. A joint communique of the U.S.-South Korea Security Consultative Meeting issued on October 8 said the two nations had “agreed to institutionalize” the committee. The North Atlantic Treaty Organization has set up a Nuclear Planning Group that allows for the sharing of information on responding to nuclear attacks. That is possible in part because NATO members such as Britain have their own nuclear arsenal. However, in the case of Japan and South Korea, which are not nuclear powers, the United States has only made political guarantees to provide a
nuclear umbrella without providing specific military information such as tactics to deal with a nuclear attack. One reason the United States has been hesitant about sharing such information is due to concerns that such a move could trigger a nuclear domino effect in East Asia and antagonize China, which is a nuclear power, as well as to provide the rationale to allow North Korea to legitimate its efforts to develop nuclear weapons. (Asahi Shimbun, “S. Korea, U.S. to Talk about ‘Nuclear Umbrella,’” November 12, 2010)

Hecker report: “On November 12, during my most recent visit to the Yongbyon Nuclear Complex with Stanford University colleagues John W. Lewis and Robert Carlin, we were shown a 25 to 30 megawatt-electric (MWe) experimental light-water reactor (LWR) in the early stages of construction. It is North Korea’s first attempt at LWR technology and we were told it is proceeding with strictly indigenous resources and talent. The target date for operation was said to be 2012, which appears much too optimistic. At the fuel fabrication site, we were taken to a new facility that contained a modern, small industrial-scale uranium enrichment facility with 2,000 centrifuges that was recently completed and said to be producing low enriched uranium (LEU) destined for fuel for the new reactor. Unlike all previously visited Yongbyon nuclear facilities, the uranium enrichment facility was ultra-modern and clean. We were also told that this facility was constructed and operated strictly with indigenous resources and talent. These facilities appear to be designed primarily for civilian nuclear power, not to boost North Korea’s military capability. That can be accomplished much more expeditiously by restarting the dormant 5 MWe gas-graphite reactor, constructing a new, larger gas-graphite reactor and conducting additional nuclear tests; but we saw no evidence of continued plutonium production at Yongbyon. Nevertheless, the uranium enrichment facilities could be readily converted to produce highly-enriched uranium (HEU) bomb fuel (or parallel facilities could exist elsewhere) and the LWR could be run in a mode to produce plutonium potentially suitable for bombs, but much less suitable than that from their current reactor. …At the new three-story Guest House, we were met by a small Yongbyon technical team and representatives of the General Bureau of Atomic Energy. The senior technical official gave the following introduction: “In the 1980s and 1990s, we agreed to give up our reactors for LWRs, 2,000 Megawatt-electric (MWe) by 2003. In the early 1990s we built 50 and 200 MWe reactors (of gas-graphite design). Now they have become ruined concrete structures and iron scrap. We have not been able to contribute to the national demand for electricity. So, we decided to make a new start. For us to survive, we decided to build our own LWR. On April 15, 2009, the Foreign Ministry stated that we will proceed with our own LWR fuel cycle. We have completed the discharge of the 5 MWe spent fuel, reprocessed it and delivered it to the military for weaponization. Our nuclear program has not proceeded as expected, we have not delivered electricity and that has impacted the economic condition of our country. We will use our economic resources to solve the electricity problem. We are willing to proceed with the Six-Party Talks and the September 19, 2005 agreement, but we cannot wait for a positive agreement. We are trying our best to solve our own problems. We will convert our center to an LWR and pilot enrichment facility. It is a high priority to develop uranium enrichment. We will have some difficulties with this, but we are proceeding with the LWR fuel cycle. We have
designated a site for the LWR and also for uranium enrichment – it is the first stage, so it is first priority. The construction is completed and the facility is operational. You will be the first to see this facility. We showed the LWR construction site to the Korea Economic Institute delegation (Charles L. Pritchard and colleagues).” Our hosts had initially targeted our visit to the complex to last 3.5 hours, including lunch. Unlike in my previous visits to Yongbyon, the technical team clearly had instructions to show us only the basics at two facilities and answer a minimum of questions. We were hurried along at every stage. We eventually spent 3.5 hours at the site before lunch. At the 5 MWe reactor site we were taken to a construction site that had been identified previously from overhead imagery. The chief engineer of the 5 MWe reactor showed us the site and answered questions, but only when pressed. The large excavated pit was roughly 40 meters by 50 meters by 7 meters deep. A concrete foundation 28 meters square with round concrete preforms for the reactor containment vessel was visible. The containment vessel was about one meter high at the time we saw it. We were told it will be 22 meters diameter, 0.9 meters thick and 40 meters high. It is designed for a power level of 100 MW (thermal). He chose not to specify the electrical power, but said that the conversion efficiency is typically 30 percent. Therefore, I estimate the electrical power to be roughly 25 to 30 MWe. This, of course, is much smaller than the two 1,000 MWe LWRs that were being constructed as part of the KEDO project at the Kumho site. They explained that the LWR design is different from their experience base of gas-graphite reactors; hence they are building this small prototype first. Once they have mastered this technology, they will build a bigger LWR. However, even with the 25 to 30 MWe reactor, they will build two electrical generators that will supply electricity to the local communities and be hooked into the national grid. The chief engineer said the construction was started on July 31, 2010. He said the target date for operations is 2012 (which is unreasonably optimistic, but coincides with the centenary of Kim Il-sung’s birth and is the target date for most current major projects). …The reactor will be fueled with uranium dioxide fuel enriched to 3.5%, typical of LWR fuel, but very different from the metallic uranium alloy fuel rods used in the gas graphite reactor. A full load of fuel is comprised of four tonnes of uranium. In a separate discussion, they reiterated that they had ample domestic uranium ore resources. They were not certain what cladding material would be used, stating that they are still working on many of the details. The reactor design team is a new, young team without reactor design experience. However, they assured us that they would be mentored by the experienced gas-graphite reactor designers. The new designers are in their 40s, graduated from North Korean universities and have spent their careers at Yongbyon. They have not brought any of the North Korean KEDO LWR team members to Yongbyon at this time, but may do so for the operational phase. At the fuel fabrication plant we entered what appeared to be a new building about 100 meters long, across from the tall uranium oxide production building. We later identified it as the former metal fuel rod fabrication building, which I had visited in February 2008 to verify their disablement actions. We walked up polished granite steps to the second-floor control room and observation area. The first look through the windows of the observation deck into the two long high-bay areas was stunning. Instead of seeing a few small cascades of centrifuges, which I believed to exist in North Korea, we saw a modern, clean centrifuge plant of more than a thousand centrifuges all neatly aligned and
plumbed below us. There were two high-bay areas on each side of the central island. The high-bay areas were two stories high and we were told 50 meters long each. We estimated the width of the bays to be 12 to 15 meters. There were three lines of centrifuge pairs, closely spaced, the entire length of each hall. We were told that they began construction in April 2009 and completed the operations a few days ago. Overhead imagery now shows a building with a blue roof about 120 meters long. We estimated the centrifuges to be about 8 inches (20 cm) in diameter and approximately 6 feet (1.82 meters) high. They looked like smooth aluminum casings (no cooling coils visible) with three small stainless steel tubes emanating from the top to the central plumbing that ran the length of the facility. The highest horizontal line appeared to be an insulated pipe about 10 cm diameter. The chief process engineer told us (in response to persistent questioning) that the facility contained 2,000 centrifuges in six cascades (one thousand centrifuges and three cascades on each side). He would not provide us with the physical dimensions, stating that the United States would also not release such proprietary information. When asked if they were P-1 centrifuges, he said no. When pressed, he said the rotors were made of alloys containing iron. In response a subsequent question, the chief process engineer implied that the rotors had single bellows. The casings, he said, were made from an aluminum alloy. He claimed all components were manufactured domestically, but modeled after the centrifuges at Almelo and Rokkasho-mura. We were able to extract the most important detail, that is, the enrichment capacity, which he said was 8,000 kg SWU/year. The average enrichment level is 3.5% and the tails are 0.27%. The reactor designers told him to target enrichment levels from 2.2 to 4%. The control room was astonishingly modern. Unlike the reprocessing facility and reactor control room, which looked like 1950s U.S. or 1980s Soviet instrumentation, this control room would fit into any modern American processing facility. They had five large panels in the back that had numerous LED displays of operating parameters. They had computers and four flat-screen monitors (similar to ones we saw at the e-Library at Kim Il-sung University in Pyongyang). … I expressed surprise that they were apparently able to get cascades of 2,000 centrifuges working so quickly, and asked again if the facility is actually operating now - we were given an emphatic, yes. We were not able to independently verify this, although it was not inconsistent with what we saw. We probed more deeply into their claims of indigenous fabrication. For example, do they have flow-form machines to make the rotors, and what about the bearings? We received no concrete answers. He claimed that they produce uranium hexafluoride, the feed material for gas centrifuges but which they had never admitted having produced in the past. They said they have sufficient throughput for the size of the centrifuge facility. I asked again about the fuel - will it be UO2 and how will they make it? He said the process for learning how to make UO2 had begun. It is difficult and we will have problems. We cannot get help from the outside, so we have to do it by ourselves. So, he said, we will get started now. Before being whisked away back to the Guest House for a late lunch and departure, in response to my question, the senior Yongbyon official confirmed that they are enriching uranium now in the facility. When I pointed out that the outside world will be concerned about their ability to convert the facility to make HEU, he stated that anyone can tell by looking at the monitors in the control room that the cascades are configured for LEU. Besides, he said, they can think what they want.
Although we were not specifically taken to the plutonium production facilities, the facilities that we visited were located in the same areas. The 5 MWe reactor, which is adjacent to the new LWR construction site, appeared dormant. There were at least two long barrack-style buildings between the new construction site and the river. We were told that the 5 MWe reactor is in stand-by status with regular maintenance. We were reminded that the cooling tower was destroyed (June 2008) but the chief engineer was confident that they could restart the reactor should they decide to do so (my previous estimate was that it would require approximately six months to do so). We were told the fresh fuel, which could be used to refuel the reactor, was still stored in the same warehouse in which I last saw it in 2008 (at the fuel fabrication facility). I was told that there was insufficient time to visit the warehouse. The 50 MWe reactor, which was near completion in the mid-1990s but abandoned during the Agreed Framework was being dismantled with large cranes. It looked just like the senior Yongbyon technical official described it: “a ruined concrete structures and iron scrap.” No activity was apparent at the reprocessing facility as we drove past it. There are several new buildings at the fuel fabrication site, including the one containing the centrifuge cascade halls. That building was previously designated as Building 4, which housed the uranium metal fuel rod fabrication. Its interior was completely reconstructed and its exterior appeared freshly renovated. To summarize the status of the plutonium facilities; the 5 MWe reactor has not been restarted since it was shut down in July 2007. The spent fuel rods were reprocessed following North Korea’s termination of the Six-Party talks in April 2009. No new fuel has been produced and the fresh fuel produced prior to 1994 (sufficient for one more reactor core) is still in storage. Pyongyang, has apparently decided not to make more plutonium or plutonium bombs for now. My assessment is that they could resume all plutonium operations within approximately six months and make one bomb’s worth of plutonium per year for some time to come. The findings from this trip answer many questions about the North’s nuclear directions, but they also raise at least as many. I will give a preliminary analysis here. Clearly much more will have to be done by many more analysts to understand the implications of these developments in North Korea. The plutonium program remains frozen, and has perhaps even taken another step backward. They converted the metal fuel rod fabrication facility into the centrifuge cascade halls, thereby making it more difficult to make fuel for the plutonium production reactor. The LWR will produce plutonium, but it is much less suitable for bombs than that from the 5 MWe reactor. In addition, the reprocessing facility operations would have to be reconfigured to reprocess the LWR fuel. My previous estimate of the North Korean plutonium inventory from its 5 MWe reactor of 24 to 42 kilograms (sufficient for four to eight primitive nuclear weapons) still stands. A North Korean uranium enrichment program has long been suspected. I believe they started early, perhaps in the 1970s or 1980s, but then did not try to accelerate the effort until their dealings with A.Q. Khan in the 1990s. However, the 2,000-centrifuge capability significantly exceeds my estimates and that of most other analysts. We were not able to confirm that the facility is fully operational. It typically requires much more time to bring cascades of this size into full operation. Nevertheless, they have either done it as they claim, or are most likely capable of doing so shortly. With the 8,000 kg-SWU/yr capacity, North Korea could produce up to 2 tonnes of LEU or, if the cascades are reconfigured, up to 40 kg HEU. The LEU capacity is consistent with the requirements.
of the LWR under construction. It would have to be expanded significantly if North Korea eventually builds a large LWR. Whether LEU or HEU is produced in the facility is easy to monitor with on-site presence or on-site instrumentation. However, the greatest concern is that a facility of equal or greater capacity, configured to produce HEU exists somewhere else. Such a facility would be difficult to detect as demonstrated by the fact that this facility was undetected in the middle of the Yongbyon fuel fabrication site. The only factors that would limit North Korea's ability to build more are the procurement or production of many of the specialty materials and pieces of equipment - such as maraging steel, high-strength aluminum alloys, ring magnets, frequency converters, special bearings, vacuum equipment, flow meters, etc. We have little knowledge of what the North's indigenous fabrication capabilities are. If North Korea claims its uranium program is strictly peaceful, then the burden of proof is on it, especially since they continued to deny it during the Six-Party negotiations. One of the most puzzling issues is how they got this far? Albright and Brannan recently presented a detailed analysis of the status of North Korea's uranium enrichment program. They demonstrate a clear pattern of cooperation and exchange with Pakistan, including crucial elements such as on-site training of North Korean technical specialists at the Khan Research Laboratory. They also show troubling procurement scheme, particularly with commercial entities in China. I have previously stated my concern about potential cooperation and exchanges in uranium technologies between North Korea and Iran. However, a detailed analysis and reevaluation taking into account the findings from this trip is now in order. A better understanding is important because it will help us better judge the capacity of current and planned North Korean enrichment capacity. …It views LWRs as the modern path to nuclear power. It was prepared several times in the past to trade its bomb-fuel producing reactors for LWRs. This time we were told, “We have given up; we will do it on our own.” We were reminded that in April 2009 they announced their intention to build an LWR and to make their own fuel, including enrichment. They said, “no one believed us, including you, Dr. Hecker.” They can claim with some justification that the uranium enrichment program is an integral step toward an LWR and nuclear electricity. I believe that although this peaceful program can be diverted to military ends, the current revelations do not fundamentally change the security calculus of the United States or its allies at this time. Pyongyang has gained significant political leverage already from the few plutonium bombs they have. Building more sophisticated bombs that can be mounted on a missile is better done with plutonium than HEU. However the production of large quantities of HEU and additional nuclear tests would allow them to increase the size of their arsenal. Even more troubling would be the potential of export of fissile materials or the means of producing them, which now include centrifuge technologies. For these reasons, the United States and North Korea should not sit by idle. Is Pyongyang really pursuing a modern nuclear electricity program? If so, what are its chances of success without outside help? Has Pyongyang decided to abandon its plutonium production complex (or at least keep it dormant)? Does it have additional uranium centrifuge facilities that could easily be dedicated to producing HEU bomb fuel? How did North Korea acquire centrifuge technology at such a level of sophistication and when? Why did Pyongyang decide to show us the facilities now and how does this fit into their broader strategy of how to deal with its domestic and international challenges? These and other questions will take more time and more people to answer. One thing is certain: these revelations
will cause a political firestorm. Some will use them to prove that Pyongyang can’t be trusted. Some will use them to justify the October 2002 U.S. decision to confront Pyongyang about uranium enrichment, which terminated the Agreed Framework. Some, most likely China and Russia, will claim that North Korea is within its sovereign rights to develop nuclear energy. The issue is complicated by the inherently dual-use nature of nuclear technology. It is possible that Pyongyang’s latest moves are directed primarily at eventually generating much-needed electricity. Yet, the military potential of uranium enrichment technology is serious. It is clear that waiting patiently for Pyongyang to return to the Six-Party talks on terms acceptable to the United States and its allies will exacerbate the problem. A military attack is out of the question.

Tightening sanctions further is likewise a dead end, particularly given the advances made in their nuclear program and the economic improvements we saw in general in Pyongyang. The only hope appears to be engagement. The United States and its partners should respond to the latest nuclear developments so as to encourage Pyongyang to finally pursue nuclear electricity in lieu of the bomb. That will require addressing North Korea’s underlying insecurity. A high-level North Korean government official told us that the October 2000 Joint Communiqué, which brought Secretary Madeleine Albright to Pyongyang, is a good place to start.” (Siegfried S. Hecker, A Return Trip to North Korea’s Yongbyon Nuclear Complex, CISAC, Stanford University, November 20, 2010)

On June 4, a startling allegation about Burma’s repressive military regime rocketed around the globe: A defector from the Burmese Army said his technologically backward nation had launched a program to build a nuclear bomb. The defector, a former major in the Burmese Army, provided pictures and documents to bolster his claims. Previous allegations about Burma’s purported nuclear efforts had stirred little interest. But this story, which was written and prepared by a leading Burmese opposition group, was accompanied by a detailed report drafted by Robert Kelley, a former weapons scientist for the U.S. government who had worked for many years for the International Atomic Energy Agency... An examination by ProPublica and the PBS program Need to Know [10] has found that the question of Burma’s nuclear ambitions is much less settled than Kelley contends. Other experts, including Olli Heinonen, the former deputy director of the IAEA, viewed the evidence as inconclusive. They said the equipment in the photos had other possible uses and that such serious charges should not rest on the testimony of a single defector. Former deputy director of the International Atomic Energy Agency Olli Heinonen disputes Kelley’s claims on Burma’s nuclear ambitions, saying ‘it’s a far-fetched explanation.’ “There is no smoking gun,” Heinonen said in an interview. “There is no one single piece which puts your mind at rest telling that this is solely for nuclear purposes and for nothing else.” Separately, a senior American official said the Central Intelligence Agency and Department of Energy had reviewed Kelley’s report “line by line” and had rejected its findings. In Germany, officials said they were aware that Burma had bought the equipment shown in the defector’s pictures (some of it was exported by German companies) but have concluded it is not being used to launch an atomic weapons program. The defector, Sai Thein Win, was brought to Western notice by a Norway-based group of Burmese exiles called the Democratic Voice of Burma. The exiles received $400,000 last year from the National Endowment for Democracy, a U.S. foundation whose budget comes
almost entirely from Congress. The NED was created in 1983 to foster democracy movements around the world and it does so through grants and advice. Its past beneficiaries include Poland’s Solidarity movement and the anti-apartheid forces in South Africa. NED officials said they encouraged the Democratic Voice of Burma to have Kelley vet the defector’s allegations and later paid for the Vienna-based scientist to fly to Washington to present his findings. NED officials said they consulted no other experts or officials before hosting the press conference at which Kelly unveiled his report. Officials at NED defend their role in getting the Burma story out and say that they were simply serving the interests of democracy. The foundation’s president, Carl Gershman, said his organization had no idea Webb was on his way to Burma. The grants to the Democratic Voice of Burma, he said, promote “free media in a country that doesn’t have a free media.” Gershman, who has run NED since its creation, said he was not aware that U.S. intelligence agencies doubted the claims about Burma’s nuclear effort but said the story had value even if it were ultimately disproved. “If they got it wrong, we’ll know about it. And they’ll learn something and maybe the world will learn something.” The dispute among experts over Burma illustrates a larger issue confronting the international community about illicit weapons programs. The United States went to war in Iraq supported by the testimony of a defector codenamed “Curveball” who described Saddam Hussein’s supposed efforts to build biological weapons. Gen. Colin Powell’s case to the United Nations for invading Iraq was based in large measure on Curveball’s testimony, which turned out to be fabricated. No nuclear, germ or chemical weapons were ever found. Some experts worry that the West may overreact to the Curveball debacle and fail to heed warnings from any defectors. But others say the Curveball incident was a cautionary tale about the need to closely study any claims of nuclear proliferation advanced by opponents of a regime. Kelley acknowledged the potential conflict of interest in his report saying the opposition group, the Democratic Voice of Burma, and the defector “have strong feelings about the regime.” Their objectivity, he said, “can be called into question.” But Kelley wrote that the evidence, combined with other previous disclosures about Burma, was persuasive. He likened the defector, identified as Major Sai Thein Win, to Mordecai Vanunu, the Israeli technician who provided photos of Israel’s secret atomic weapons facilities to a British newspaper in 1986. Kelley said the analysis of Win and related evidence already public about Burma “leads to only one conclusion: this technology is only for nuclear weapons and not civilian use or nuclear power.” Kelley worked for years for Heinonen, who served as deputy director of the IAEA from 2005 until this year. Their work included high-profile investigations of Iran, Iraq and South Africa’s nuclear program. Heinonen said that on Burma, he parts ways with his former colleague. Heinonen noted that Burma has reserves of uranium and said its work thus far could be used as fuel for nuclear power plants. “There might be someone looking for utilization for uranium, but we really don’t know the purpose. There is no alarming factor triggering suspicions about nuclear weapons programs at this stage.” The bar for accusing a country of wrongdoing should be set higher, he said. “When someone takes the first molecule from ore, it doesn’t mean that he’s already developing a nuclear weapon. There’s a long way to go.” The arguments among the experts revolve around arcane questions of engineering and science. One photograph provided by the defector shows what is known as a glove box, a sealed space in which operators can handle dangerous materials. Kelley said the box could be used to make uranium
metal -- a step in the production of fuel for nuclear weapons. But Heinonen rejected this assessment. He said that creating uranium metal requires high temperatures.

"When you look at the picture you see, for example, that the box has rubber gloves. You would not build a box with rubber gloves to do such a process." Heinonen said the operator would "burn his fingers literally," adding: "I don't think this box is for that purpose." Another analyst who disputes Kelley's view of Burma is David Albright, the director of the Institute for Science and International Security, a Washington-based research institute. In January of this year, Kelley and Albright co-authored a paper for ISIS with two other experts that debunked some of the earlier claims that Burma was building a bomb. When challenged about some of the conclusions in his recent report, Kelley urged reporters to contact Albright. Albright said in an interview that he did not agree with Kelley's findings. A close reading of the report, he said, suggests that Kelley assumed that Burma is attempting to make nuclear weapons and then looked at Win's pictures "in a biased way ascribing nuclear purposes to them." Albright said he believed each piece of equipment in the photos had alternate uses, some of which were non-nuclear. He noted that Win had no background in nuclear science or engineering. "We learn the hard way," said Albright. "This is what the whole thing was about with Iraqi WMD." "If you're going to make accusations that a country has nuclear weapons program, you have to have credible evidence that that is true," he said. Much remains unknown about Win and his motives. Win said Burma's nuclear efforts were incompetent but real. He said employees assigned to work on the program sat around drinking whiskey and waiting for designs to arrive. "When we were alone, we sometimes talked about how stupid this was," he told the Independent. "We called ourselves Nato -- No Action, Talking Only. We wasted our lives. I'm not a politician, I'm proud to be an engineer and an officer. I would be proud to be the first rocket scientist of Burma but I had no chance to apply what I had learned. It made me upset." Win said that he saw documents in which the regime ordered a "nuclear battalion" to build a reactor, enrich uranium and create a bomb. But he said "I never got my hand on those documents. I had the chance to steal them, but I didn't." According to The Independent, Win decided to come forward after watching a Democratic Voice of Burma documentary that mentioned rumors about Burma's nuclear efforts. He bought a camera, took his now-famous photos and began uploading the images. He told The Independent a security guard at the factory saw him take the pictures but didn’t say anything. (Stephen Engelberg, with Dafna Linzer and Christian Salewski, “Experts, Intelligence Agenies Question a Defector's Claims about Burma's Nuclear Ambitions,” Pro Publica, November 12, 2010)

**11/14/10**

Prime Minister Kan Naoto and South Korean President Lee Myung Bak have formally signed an accord to have Japan to return 1,205 volumes of Korean historical records, which include the royal records of the Joseon dynasty (1392-1910) stolen during its colonial rule of the Korean Peninsula from 1910 to 1945. FM Maehara Seiji and South Korean counterpart Kim Sung Hwan signed the agreement Sunday after holding a bilateral summit on the margins of the APEC summit. (Kyodo, “Kan, Lee Agree on Return of Looted Archives,” November 16, 2010)

**11/15/10**

Defections from North Korea have risen markedly in recent years, South Korean officials said Monday, driven both by worsening economic conditions and more news
from abroad filtering into the secretive communist state. About 2,900 people defected to the South last year, said Lee Jong-joo, an official with the Unification Ministry, and more than 2,000 have defected so far this year. She cited “humanitarian reasons, including the food situation,” as being among the leading reasons cited for defecting and said that 70 percent of defectors were women. The South Korean government announced on Monday that a 41-year-old woman had become the 20,000th North Korean to defect to South Korea since the end of the Korean War in 1953. Lee said the woman and her two teenage sons, from Yanggang Province in the northern part of North Korea, defected last week because of economic hardships. Lee declined to describe their route. (Mark McDonald, “North Korean Defections on the Rise, South Says,” New York Times, November 15, 2010)

FAO/WFP report: “In DPRK, including the estimates for the 2010 main season harvest and forecast for the 2011 early season crops, a total of 5.33 million tonnes of staple food production from the cooperative farms, individual plots on sloping land and household gardens for 2010/11 is expected. This is about 3 percent higher than in 2009/10. When paddy is converted to milled rice, the above total production comes to 4.48 million tonnes.

• A substantial increase in production was expected due to some improvements in the availability of fertilizer, pesticides, operational tractors, diesel and electricity. This expectation, however, was frustrated by some adverse weather events.
• The winter of 2009/10 was unusually severe and prolonged which resulted in a low survival rate of winter wheat and delays in planting of spring crops and transplanting of main season paddy. Also, unusually intense rainstorms hit most of the country in late August and early September, causing localized flooding, crop loss and structural damage to irrigation canals and dams.
• Despite the relatively good harvest, based on the Mission’s estimate of total utilization needs of 5.35 million tonnes of cereal equivalent (rice in milled terms), there is an import requirement of 867 000 tonnes for the 2010/11 marketing year (November/October).
• According to the Ministry of Agriculture, 325 000 tonnes of commercial imports are planned for the upcoming marketing year. This seems to be in line with the commercial imports during the previous year. Thus, the Mission estimates an uncovered food deficit of 542 000 tonnes for the 2010/11 marketing year.
• In 2009/10 a large number of low income non-farming households faced a significant food consumption gap as the cereals received from the public distribution system (PDS) provided only about half the daily caloric requirement on average. The deficit was unlikely to have been fully covered by other foods due to low purchasing power of these households.
• Despite the overall large deficit in the food supply, food supplementation for children and women plus the child survival programmes in place have contributed to reduced rates of malnutrition.
• Given that the overall food production situation in 2010/11 is not expected to improve significantly, the Mission recommends the provision of international food assistance to about 5 million most vulnerable people (including groups with special needs such as children, pregnant and lactating women and the elderly with no support...
and PDS dependent populations in high malnutrition and mountainous regions),
amounting to 305,000 tonnes of cereals.

• The planned commercial imports and recommended food assistance do not fill the
entire uncovered food deficit leaving a gap of 237,000 tonnes of cereals. The Mission
highlights the importance of meeting this gap to ensure adequate food is available.
Should the Government not have the capacity to meet the gap through additional
imports, these efforts can be supported by the international agencies and bilateral
donors.

• Furthermore, efforts should be made to provide soybeans and other pulses as part of
the food assistance to increase the nutritive content of the diet.

• In order to improve food security in the short to medium term, the Mission also
makes

recommendations for national and international support for - (i) potato storage and
grain drying facilities to reduce losses and improve food safety, (ii) improvement in
production of protein rich commodities such as pulses and fish (from aquaculture), and
(iii) general assistance to private household garden production.” (FAO/WFP Crop and
Food Security Assessment Mission to the DPRK, Special Report, November 16, 2010)

11/17/10 North Korea may be making preparations for a possible third nuclear test, Sankei
Shimbun reported. The newspaper published satellite imagery from the North’s
Punggye-ri nuclear site, which it alleged showed work toward the test in progress. The
daily quoted an expert as saying, “Based on what’s been shown in the photos, it is clear
that North Korea is preparing for a new experiment. Chances are high that something
will happen in the next six months.” The report followed comments by Siegfried
Hecker, a former director of the Los Alamos National Laboratory, and Charles Jack
Pritchard, a former U.S. special envoy to North Korea, who visited Pyongyang earlier
this month and said the regime appeared to be building a new experimental light-
water reactor. They added that the reactor, expected to produce 25 to 30 megawatts
of electricity, will be finished by 2012. “The concrete was poured, and power lines were
erected, indicating the construction was in its early stages,” said Pritchard. North Korea
watchers speculated that Pyongyang’s action was an attempt to get attention from the
United States. A South Korea-based nuclear scientist, who also requested anonymity,
said the construction of the light-water reactor was only a bargaining chip to get the
six-party talks back on track. “North Korea probably cannot afford the costly project,”
unless there’s a sponsor, the scientist said. (Kim Se-jeong, “Japanese Media Allege
N.K. Preparing Nuke Test,” Korea Times, November 18, 2010) In a meeting with
reporters in Washington, Jack Pritchard, president of the Korea Economic Institute who
visited the North last week, said Pyongyang was building “what it claims to be an
experimental light-water reactor for completion by 2012.” Pritchard, former U.S. special
envoy on North Korea policy met with Pyongyang’s chief nuclear envoy and toured the
Yongbyon nuclear complex. The alleged light-water reactor is “physically slightly in
front of where the old cooling tower was located,” Pritchard said. In a meeting with
Seoul officials last week, the U.S. expert had said the facility “might or might not be
related to nuclear activities,” adding North Korea “said it was continuing to enrich
uranium for peaceful purposes.” (Shin Hae-in, “N. Korea Seen Restarting Two-Track
Strategy,” Korea Herald, November 17, 2010) But based on these developments alone
it is difficult to say what North Korea is planning. A Cheong Wa Dae official said, “North
Korea is up to something, but we don’t expect anything to happen right now.” Judging from the depth of the shaft that has been dug so far, it will apparently take three to six more months before a nuclear test can be conducted, while the light-water nuclear reactor is slated for completion in 2012. (Chosun Ilbo, “N. Korea’s Twin Nuclear Threats,” November 19, 2010)

KCNA: “The General Guidance Bureau for the Development of Scenic Spots of the DPRK [today] sent a notice to the Ministry of Unification of south Korea, urging it again to hold the working talks between the authorities of the north and the south for discussing the issue of resuming the tour. Expressing great regret at the insincere notice sent by the south side in which it groundlessly took issue with the north side’s measures for confiscating and freezing real estates of the south side and raised them as prerequisites for opening the talks, after delaying for nearly 50 days the reply to the notice proposing the talks for resuming the tour sent by the latter to the former three times, talking about “examination” and “sending a notice later,” the notice said that this attitude of the south side is, in fact, little short of rejecting the talks as commented by media. It is the stand of the north side to discuss and settle all the matters concerning the measures for confiscating and freezing real estates as required by the south side, the notice held, urging it to stop insisting on its absurd pretexts any longer but come out for the above-said talks as soon as possible. It suggested those authorities concerned to come out and discuss the matters concerning the opening of the above-said talks while the north-south Red Cross talks will be under way after their opening on November 25.” (KCNA, “DPRK Sends Notice to S. Korea for Talks of Resuming Tours,” November 18, 2010)

North Korea is circumventing United Nations sanctions by routing trade and financial transactions through China, a U.S. report said. Flawed intelligence about North Korean actions and varying interpretations of UN sanctions also allow the isolated communist country to avoid the full weight of penalties meant to push it to reconsider its nuclear weapons program, according to a report by the Congressional Research Service. President Obama is pursuing a policy of sanctions and engagement with North Korea to encourage it to rejoin denuclearization talks. North Korea’s leaders have made ending the sanctions a condition for returning to talks. Implementation of those sanctions has been uneven globally and in cases has diminished over time, the report said. “Because China has taken a minimal approach to implementation on North Korea, it has proven difficult to strengthen measures any further in the UN context,” said the report, requested by Senator Richard Lugar of Indiana, the top Republican on the Senate Foreign Relations Committee. The CRS report found that North Korea uses air and land routes through China with little risk of inspection and that luxury goods flow through China to Pyongyang’s elites “almost unabated.” (Nicole Gaouette, “North Korea Circumventing UN Sanctions with China’s Help, U.S. Report Says,” Bloomberg News, October 22, 2010)

The General Assembly’s human rights committee is expressing “very serious concern” at North Korea’s widespread and grave violation of virtually all human rights, from its use of torture to severe restrictions on freedom of expression, assembly and religion, and strongly urged the government to immediately end “the systematic, widespread
and grave violations of human rights.” A resolution adopted by the committee Thursday by a vote of 103-18 with 60 abstentions stressed its concern about the persistence of North Korea’s violations of civil, political, economic and cultural rights. The resolution must now be approved at a plenary meeting of the 192-member world body, where its adoption is virtually certain. (Associated Press, “UN Committee Criticizes N. Korean Human Rights,” November 18, 2010)

China is known to have arranged secret talks between South and North Korean senior officials in Beijing, but less than a week after the meeting, the North shelled the South Korean border island of Yeonpyeong. A source in Beijing said that Kim Deok-ryong, the president of the (South) Korean Council for Reconciliation and Cooperation and special presidential adviser for national integration, and Yu Woo-ik, then South Korean ambassador to China and now slated to take over as South Korea’s unification minister, spoke to North Korean Ambassador to China Ji Jae Ryong at Beijing’s Diaoyutai State Guesthouse for more than an hour either on November 18 or 19 last year. The inter-Korean contact was organized by the secretary office of Chinese Vice Minister Xi Jinping. For Beijing to arrange such a meeting is considered exceptional. Other Chinese bigwigs including officials from the secretary office attended the inter-Korean talks. (Chosun Ilbo, “China Arranged Secret Inter-Korean Talks in November Last Year,” September 1, 2011)

“North Korea right now does not meet the statutory criteria to be designated as a state sponsor of terrorism,” Daniel Benjamin, coordinator of the State Department’s Office for Counterterrorism, told a Foreign Press Center briefing. “The information we have does not show the DPRK repeatedly providing support for international terrorism since the designation was rescinded in October of 2008.” (Yonhap, “U.S. Won’t Relist North Korea as Terrorism Sponsor,” Korea Herald, November 18, 2010)

Despite a relatively good autumn harvest, North Korea remains in dire need of food aid, especially for its youngest children, pregnant women and the elderly, according to two United Nations agencies. In a new joint report, the World Food Program and the Food and Agriculture Organization said that North Korea, even after substantial imports, would have a shortfall in staple crops – mostly rice, grains and soybeans – of more than half a million tons. The 2010 harvest was 3 percent higher than last year’s, the agencies said, despite an unusually harsh winter and alternating drought and flood conditions over the summer. But even in the best of years, North Korea is unable to feed itself. Government food distribution provides only half the necessary daily calories, the report said. People are thus left to fend for themselves with small hillside plots and kitchen gardens, and by buying food or bartering for it on the black market. Officials have estimated that the food aid program for North Korea is underfinanced by 80 percent and that nearly half the country’s children are malnourished. “I saw a lot of children already losing the battle against malnutrition,” said Josette Sheeran, executive director of the World Food Program, after a visit to North Korea this month. “Their bodies and minds are stunted, and so we really feel the need there.” (Mark McDonald and Kevin Drew, “North Korea Urgently Needs Food Aid to Combat Malnutrition, U.N. Agencies Say,” New York Times, November 18, 2010 p. A-5)
North Korea is building a new nuclear reactor, experts say, raising fears that the facility could be used to enhance the country’s nuclear weapons program. New satellite imagery obtained by the Institute for Science and International Security and information gleaned by U.S. experts on a recent visit to North Korea indicate that the government of Kim Jong-il is building a light-water nuclear reactor at the Yongbyon nuclear facility. The facility had been at the center of the country’s plutonium program before Pyongyang abandoned it in 1994. Now experts are concerned the program has been resumed. Although light-water reactors are generally used to produce electricity, the North Korean facility could be employed to make nuclear-weapons-grade plutonium, especially if the government is undertaking a parallel program to enrich uranium, according to David Albright, director of the Institute for Science and International Security. ISIS reported in October that North Korea “has moved beyond laboratory-scale work” and is capable of building a “pilot plant” of centrifuges to enrich uranium. (John Pomfret, “North Korea Building New Reactor, U.S. Says,” Washington Post, November 19, 2010)

South Korea turned down North Korea’s request to discuss resuming Mount Kumgang tours on the sidelines of the Red Cross talks, which will take place next week in Munsan, Gyeonggi Province. Speaking to reporters, vice spokeswoman of the Unification Ministry Lee Jong-joo said, “The Red Cross talks and the negotiations on resumption of the Mount Kumgang tours are basically separated.” The request came from North Korea Thursday afternoon. Regarding the confiscated facilities at the mountain resort, the vice spokeswoman said, “It was a unilateral decision made by North Korea, and we urge the North to lift the freeze immediately.” She said the members of the South Korean delegation to the Red Cross talks won’t change. (Kim Se-jeong, “Seoul Reject on Mt. Kumgang Tours,” Korea Times, November 19, 2010)

A decreasing number of South Koreans are willing to pay out of their own pockets the expenses of reunifying with the impoverished North Korea, a local poll showed today. Up to 58 percent of people here are willing to shoulder the extensive financial burden anticipated for reunifying with their communist neighbor, according to a survey of 1,007 adults nationwide. More than 71 percent had approved of paying the unification costs through a tax in a 2005 poll conducted by Seoul’s public broadcaster KBS. The Lee government wants to activate the “unification tax system,” a method envisioned to start preparing for the estimated $1.3 trillion Seoul is anticipated to shoulder to reunite with Pyongyang. According to the KBS poll, nearly 34 percent of those willing to pay tax for unification costs said they would pay less than 1 percent of their annual income. Another 20 percent said they were willing to pay 1-5 percent, while 4 percent responded they would pay up to 5-10 percent. Up to 62 percent of those surveyed said they “do not approve” of North Korea, while another 78 percent said the current security circumstances on the divided peninsula concerned them. (Shin Hae-in, “Fewer Ready to Shoulder Unification Costs, Korea Herald, November 21, 2010)

The Obama administration has dispatched a team of experts to Asian capitals to report that North Korea appears to have started a program to enrich uranium, possibly to manufacture more nuclear weapons, a senior U.S. administration official said. The team was sent out after North Korea told two visiting American experts earlier this month
that it possessed such a program and showed them a facility where it claimed the enrichment was taking place. "North Korea’s claim to have a uranium enrichment program is yet another provocative act of defiance and, if true, contradicts its own pledges and commitments," the senior administration official said. "We have long suspected North Korea of having this kind of capability, and we have regularly raised it with them directly and with our partners in this effort," the official said. The claim of the facility’s existence - made to Siegfried Hecker, the former chief of the Los Alamos National Laboratory, and former U.S. government analyst Robert Carlin - complicates the Obama administration’s efforts to counter nuclear proliferation around the globe. It also raises questions about North Korea’s motivations in announcing the presence of the plant as it undertakes a leadership transition from leader Kim Jong Il, apparently to his third son, Kim Jong Eun. (John Pomfret, “U.S. Alerts Asian Capitals to Possible North Korea Uranium Enrichment Program,” Washington Post, November 21, 2010)

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"This is obviously a disappointing announcement. It is also another in a series of provocative moves," Stephen Bosworth, the top U.S. point man on North Korea, told reporters in Seoul, referring to the North Korean claim. "That being said, this is not a crisis. We’re not surprised by this," Bosworth said, having met with South Korean Foreign Minister Kim Sung-hwan. "We have been watching and analyzing the (North's) aspirations to produce enriched uranium for some time." Kim told Bosworth earlier that the allies "need more intelligence and analysis on what is the reality of the program" in North Korea, also downplaying the situation as "not a crisis." Defending the U.S. goal of pressuring the North into taking dismantlement steps before reopening the six-party talks, stalled since late 2008, Bosworth said he "would not accept that our policy toward North Korea is a failure." "We’re not throwing our policy away," he said, pledging to "refine" approaches to North Korea because "we can’t just ignore" the purported uranium program made public over the weekend. "We have to incorporate this now into our strategy as we move forward," said the envoy, who arrived Sunday night here as part of a hurriedly arranged three-nation Asian swing. Bosworth, set to travel on to Tokyo and Beijing, said it is "fundamental we deal with this in close coordination with major countries," and expressed hope for the eventual resumption of six-party talks. "We have hope that we will be able to resuscitate it," he told reporters, referring to the negotiations that include the two Koreas, the U.S., Russia, Japan and China. "My crystal ball is foggy, but I would never declare any process dead. It’s still breathing," Bosworth said. Japanese Chief Cabinet Secretary Sengoku Yoshito said in a press meeting in Tokyo that the North Korean claims of an operational uranium enrichment foundry are "absolutely unacceptable." But a senior South Korean diplomat, speaking on the condition of anonymity, told reporters here separately that his government was considering the purported uranium enrichment activities as "real." "It seems the situation must be accepted as is, and I believe it has become an issue we now have to deal with," he said, agreeing with Bosworth that the allies will not backtrack from their push for Pyongyang to show denuclearization steps before holding dialogue. (Sam Kim and Lee Haye-ah, “S. Korea, U.S. Struggle to Cope with Disturbing Revelation in N. Korea’s Nuclear Push,” Yonhap, November 22, 2010)

Defense Minister Kim Tae-young said South Korea may consider redeploying U.S. tactical nuclear weapons in the country to thwart the North Korean threat. In the wake
of the news of the centrifuge facility in the North, critics allege that Washington’s policy toward Pyongyang appears to have failed as it hasn’t stopped the communist state’s nuclear program. They added the new facility shows that the North has violated U.N. Security Council resolution 1874 and the Sept. 19 agreement in 2005. Bosworth denied that U.S. policy has failed in curbing the North’s nuclear program by highlighting the difficult nature of the task. “I don’t believe our policy is a failure.... (North Korean nuclear program) is a very difficult program that we have been struggling to deal with for almost 20 years,” the U.S. envoy said. “On the other hand, I think that we are committed to continuing on with the policy, broad policy that we have been following. We will refine that as necessary to take account of development as they occur. But we are not throwing our policy away.” Bosworth made the remarks during a brief news conference held at the Ministry of Foreign Affairs and Trade after having a series of meetings with Foreign Minister Kim Sung-hwan and South Korea’s chief nuclear negotiator Wi Sung-lac. After these meetings, Bosworth sat down with Chun Yong-woo, senior presidential secretary on foreign affairs and security, for policy coordination talks before leaving for Tokyo. He is scheduled to fly to China today to meet with officials there. Despite the latest provocation, Seoul and Washington reaffirmed no policy change in dealing with Pyongyang’s nuclear program, pledging to maintain the so-called two-track approach — a policy mix of sanctions and dialogue. An official from the foreign ministry told reporters that the two allies have closely watched North Korea with regard to the development of the program for many years. He said there was no doubt that the latest move was “bad behavior,” noting engagement with the North was unlikely in the near future. But he said South Korea, along with its allies and key partners, will continue to work closely together “to pave the way for the right conditions for dialogue.” Bosworth reaffirmed the two-track approach. Wi left Seoul Monday for Beijing for a meeting with his Chinese counterpart. During the National Assembly’s budget and account committee session, Minister Kim mentioned a possible redeployment of U.S. tactical nuclear weapons here, citing the report of the communist state’s new uranium enrichment plant with some 2,000 centrifuges. Kim said the issue would be discussed at the ROK-U.S. Extended Deterrence Policy Committee, which was agreed at the Security Consultative Meeting (SCM) in Washington, D.C. on October 8. The committee will serve as a cooperation mechanism to enhance the effectiveness of the U.S.’s extended deterrence. (Kang Hyun-kyung, and Jung Sung-ki, “Bosworth Says N.K. Nuclear Program ‘Provocative,'” Korea Times, November 22, 2010) Seoul will consider the deployment of U.S. tactical nuclear weapons in South Korea in response to North Korea’s unveiling of a uranium enrichment facility, Defense Minister Kim Tae-young said. He said a joint committee between Seoul and Washington on nuclear deterrence “will review issues related to the deployment.” Kim was replying to a question by Grand National Party Rep. Lee Jong-heuk in a session of the National Assembly’s ad hoc committee on budget and fiscal matters, who asked if the government has plans to consider re-deployment of the weapons. But a Defense Ministry spokesman later sought to limit the damage, saying Kim meant that Seoul “in principle could take all possible responses to nuclear threats from the North into consideration. We’ve not yet considered deploying U.S. tactical nuclear weapons, nor has there been any detailed discussion between Korea and the U.S.” (Chosun Ilbo, “Seoul Eyes Fresh Deployment of N.K. Nukes,” November 22, 2010)
Carlin and Lewis: “While the United States has stood aside, hoping time and circumstances would force North Korea to accede to demands for denuclearization, the North has forged ahead with its own plans. Near-universal skepticism greeted Pyongyang’s announcement last year that it intended to build a light-water reactor and perfect enrichment technology to fuel it. Not two weeks ago, while visiting the nuclear center at Yongbyon during a four-day trip to North Korea, we saw that the North had begun construction of a light-water reactor that could generate 25 to 30 megawatts of electric power. Even more important, we were taken to see a small, industrial-scale centrifuge-based uranium enrichment plant. The facility, which has more than 2,000 centrifuges, appeared well-built. It looked to contain modern equipment. The North Koreans were short on details but told us that the centrifuges were not P1 models. They said that the site was recently finished and that it was operating (a fact we could not verify from where we stood). It was meant to produce low-enriched uranium to fuel the reactor they have yet to complete, they said. Efforts to obtain light-water reactors from abroad for much-needed electricity had failed, they emphasized, so they had no choice but to make their own. News of the North’s program will spark critics to warn that negotiations have proved worthless and that only increased international pressure can produce results. But those very arguments helped put us in this policy dilemma. Debates over whether U.S. policy or North Korean actions are to blame can wait. What is needed, right away, is a thorough review of the past 16 years of engagement with Pyongyang, analysis of the facts as we best know them and an honest assessment of the options. The problem of the North’s nuclear program grows more difficult to resolve with the passage of time. Washington hoped that “strategic patience” and pressure from U.N.-mandated sanctions would force Kim Jong Il’s regime to submit to demands for immediate denuclearization. Skeptics warned that this approach depended on China’s willingness to squeeze North Korea and, indeed, instead of pushing Pyongyang over the past year China has strengthened its relations with the North. Their ties are better now than at any time in recent memory. While it is unlikely that either side has dropped deep-seated suspicions of the other, there is abundant evidence that Beijing and Pyongyang see their interests as so overlapping that they will go to considerable lengths to deepen political, economic, military and security relations. Kim Jong Il traveled to China twice this year; last month he introduced his anointed successor, his youngest son, to visiting Chinese leaders. For its part, Beijing is deeply concerned about stability during the North’s political succession and has signaled willingness to support the Kims’ rule on a long-term basis. Any hope in Washington for a collapse of that rule is a weak reed on which to rest policy for a region vital to U.S. interests. We must focus on what will best protect U.S. security and that of our allies. It does no good to say we must follow Japan and South Korea. Strong alliances should not preclude a creative U.S. approach to Pyongyang but, rather, should be used to support one. Dealing with North Korea is not easy, and the process has been exacerbated by myths about the travails of negotiating with its regime. This is not a problem of a particular administration or party. North Korea is on the sad list of countries that, over the years, Americans have convinced themselves they cannot understand and believe, in a self-fulfilling prophecy, that it is impossible to engage. Not so long ago, of course, China and North Vietnam were high on that list. Amid endless policy debates over whether North Korea would change or its regime would collapse, it has survived more than 20 years since the fall of the Soviet Union. It shows
every sign of staying around. Those who have been to the North know that it is nowhere near as simple to categorize as media stereotypes suggest. But not many Americans have been there, and U.S. policies help ensure that relatively few North Koreans come here. Unfortunately, Americans are probably more isolated from North Korea than the North Koreans are from the rest of the world. Being realistic about the North makes no moral judgment about its system or policies, nor does it cede anything in terms of our values or goals. U.S. policymakers need to go back to square one. A realistic place to start fresh may be quite simple: accepting the existence of North Korea as it is, a sovereign state with its own interests. (Robert Carlin and John W. Lewis, “N. Korea’s Nuclear Breakout,” Washington Post, November 22, 2010, p. A-10)

North Korea fired artillery rockets at a South Korean island near a disputed western maritime border, in a clash that killed two South Korean marines and set numerous buildings on fire. A South Korean military unit on the island, called Yeonpyeong, returned fire, while military officials scrambled fighter jets. In addition to the deaths, at least 16 more were injured, military officials said. Three civilians were injured, and the island’s 1,200 residents were sent scrambling for bomb shelters. “The whole neighborhood is on fire,” island resident Na Young-ok said from a bomb shelter about an hour after the shelling began. “I think countless houses are on fire, but no fire truck is coming. We have a fire station but the shots are intermittently coming. Video captured by closed-circuit monitoring cameras on location showed people scrambling out of buildings as explosions rocked the island. “The attack is a sheer act of provocation. Moreover, shooting indiscriminately on civilians cannot be forgiven,” said Hong Sang-pyo, spokesman for South Korean President Lee Myung-bak. “Our military reacted immediately according to our combat rules. We will act sternly against any more provocation. North Korea should take the responsibility for this.” (Evan Ramstad and Jaeyeon Woo, “North Korea Fires Rockets at Island,” Wall Street Journal, November 23, 2010) The South Korean military bombarded barracks near North Korean coastal artillery batteries in response to the North’s attack on Yeonpyeong Island instead of the batteries themselves, which it said would have been “difficult.” In a press briefing November 24, a Joint Chiefs of Staff spokesman said, “When the military fired back with K-9 self-propelled guns, it targeted not the North Korean Army’s coastal artillery batteries but their barracks.” He said it would have been “difficult” for howitzers “to hit North Korea’s coastal artillery batteries directly because they are positioned in caves. Therefore, we considered pulverizing auxiliary facilities such as barracks so that they can’t operate the batteries properly.” But that may have twice allowed the North Koreans to continue firing shells for nearly an hour Tuesday. Some experts say that F-15K and KF-16 fighters, which were scrambled in the attack, should have launched a surgical strike at the batteries. In a session of the National Assembly’s Defense Committee Wednesday, Grand National Party lawmaker Kim Hak-song said, ”The North’s second attack was a clear act of war. We should have let F-15s bombard their batteries.” (Chosun Ilbo, “Military under Fire for Response to N. Korean Attack,” November 24, 2010) The military announced November 26 that its counterattack in response to North Korean shelling Tuesday **damaged barracks in the North**, but failed to confirm the extent of it. “Despite our ongoing efforts, we have only identified the degree of damage in a limited area,” an official of the Joint Chiefs of Staff said. The official, however,
confirmed that the military had made “multiple hits” on coastal bases in the towns of Gaemeori and Mudo in North Korea. “Fire broke out in Mudo and Gaemeori,” he said. “We have also identified a depressed area in a trench, which is assumed to be caused by shelling.” The official also noted that the military has yet to confirm whether the North fired fuel-air shells, similar to thermobaric weapons, on Yeonpyeong Island in the West Sea. The North fired some 170 artillery and rocket rounds from the two military bases at Yeonpyeong, located roughly 12 to 13 kilometers away. The South Korean military fired back with K9 self-propelled howitzers. However, of the six K9 guns, only three were used as two were damaged by the North’s artillery fire, and one could not immediate respond because a dud shell blocked it, the official said. Though only 80 rounds were fired from the South, less than half of what the North used, the impact would have been far greater than the North’s as each shell has a killing range of 50 square meters. Shells from the North have a killing range of 15 to 30 square meters, according to the official. Some experts argue that the South would have done far greater damage to the North, but satellite pictures or other images of the North’s coastal military bases show hardly any sign of damage to confirm their claims. They estimate that dozens of North Korean soldiers would have been killed by the South’s counter strike. Critics of this say that hardly any damage would have been caused in the two military bases in the North as most of their artillery units are located deep inside caves, and many of the 80 shells by the South may have missed their targets. (Lee Tae-hoon, “Extent of N.K. Damage Remains Unclear,” Korea Times, November 26, 2010) In the morning, the North sent a telephone message to the South saying, “The North would not just sit back if the South fired shots into the North Korean territorial waters,” according to JCS officials. (Song Sang-ho, “N. Korean Artillery Strikes S. Korean Island,” Korea Herald, November 23, 2010) An official at the Joint Chiefs of Staff said, “At around 8:20 a.m. on Tuesday, North Korea sent a telegram that said they would not sit idly by and watch if South Korea fire at North Korean waters during the military training.” North Korea already criticized the drill on November 17 on the website of the Committee for the Peaceful Reunification of the Fatherland and again on Monday when the drill began. But the military dismissed North Korea’s claims, saying an artillery firing drill by the Marine Corps that took place in Yeonpyeong Island on Tuesday had nothing to do with the annual drill but was a part of monthly training there. Moreover, the drill the North cited as an excuse for the attack is an annual routine drill which has been conducted by the South Korean military since 1996. A spokesman for the Joint Chiefs of Staff said, “The training was directed at South Korean waters to the southwest of Yeonpyeong Island, and the training site had been announced already through the international network of communication of merchant ships.” (Chosun Ilbo, “N. Korea Cites S. Korean Drill as Excuse for Attack,” November 24, 2010) The North Korean military moved a battalion of 122-mm Multiple Launch Rocket System shells from the Fourth Corps to a coastal artillery base in Kaemori in Kangryong, South Hwanghae Province just before shelling Yeonpyeong Island on Tuesday, but despite detecting the move in advance, the South Korean military fired back at the base along the shoreline in Mudo, not Kaemori. This raises concerns about the ability of the military to deal with attacks. A senior military said several hours before the shelling began the North Korean military deployed one battery of six 122-mm MLRS shells and later two batteries of 12 112-mm MLRS shells. It also carried out preparatory shooting
practice just before the attack. "As far as I know the South Korean military was aware of this," he said. But forces on the ground were not even aware that the MLRS shells were being fired at South Korean territory in the initial wave of the attack between 2:34 and 2:46 p.m., and they responded by firing at Mudo, not Kaemori. Believing that K-9 self-propelled howitzers would not be able to carry out an accurate strike on North Korea’s coastal artillery base, the South Korean military focused on targeting command posts and barracks, so until it confirmed the location of North Korea’s MLRS using radar system just before the second phase of shelling, North Korea was able to fire with impunity. (Chosun Ilbo, “Military N. Korean Artillery Move before Attack,” November 26, 2010) A closer look at the village and military barracks on Yeonpyeong Island the day after North Korea’s Tuesday attack revealed buildings reduced to charred blocks of cement and shattered glass. Initial reports the day of the attack said around a dozen houses were damaged; roughly double that number are now confirmed to have been extensively damaged. And South Korea’s military concludes the attack was meticulously planned, although much more damage would have been caused if the North’s equipment wasn’t so old and faulty. A high-ranking South Korean military official said that North Korea used thermobaric bombs, or “fuel-air bombs,” to wreak havoc on Yeonpyeong Island, the first time it has done so. “After examining the collected rounds that fell on the island, we found them to be a variety of special weapons that can burst through concrete and [yield intense explosions],” the official said yesterday. “Upon explosion, these weapons are lethal and can destroy concrete structures with high pressure and heat.” “It looks like North Korea used thermobaric bombs they’ve been developing for the first time,” said Representative Song Young-sun during a Defense Committee hearing at the National Assembly on Wednesday. “Regular shells explode just once, but from footage of the attack, the rounds that were fired exploded twice. This is one characteristic of thermobaric weapons.” Thermobaric bombs have longer blast waves than regular explosives, and when used in the open air, they can result in increased casualties and more structural damage. The South Korean military is examining around twenty North Korean shells that failed to explode and were found lodged in concrete walls and in tree branches. Eighty of the 170 shells fired managed to land on the island. Roughly 90 rounds fell into the sea. (Christine Kim, “N. Korea Fired Thermobaric Bombs,” JoongAng Ilbo, November 26, 2010) A dispute is rising over whether South Korean forces effectively responded to North Korea’s November 23 shelling of Yeonpyeong Island, with the South firing back 80 shells from K-9 self-propelled guns. The ruling and main opposition parties in the South are even clashing over the points of impact of the 80 shells. The National Intelligence Service released Thursday satellite pictures of Mu Island, from which the North fired shells at Yeonpyong, at a meeting of the South’s parliamentary intelligence committee. The pictures were taken by the South’s multipurpose satellite Arirang-2 and another commercial satellite. Intelligence also sent the same pictures to ruling Grand National Party lawmaker Kwon Young-se, who chairs the committee. Quoting an analysis of the photos, he said the North had two groups of barracks on Mu. On the 15 shells South Korea fired at Mu from K-9 self-propelled guns, Kwon told reporters, “According to the satellite pictures, the 15 shells were dropped on barrack areas and 10 of them fell within a 50-meter radius of them,” adding, “Many North Korean soldiers must have been killed since the kill radius of the K-9 is 50 meters.” “A closer look at the pictures also showed that two
shells were dropped within a 2-meter radius of the barracks." At a meeting of the party's supreme council, floor leader Kim Moo-sung mentioned the points of impact of 30 K-9 shells fired at Gaemeori, from where the North fired rockets. "We confirmed the places where 14 shells fell through satellite pictures. No shells struck North Korean cannons and all 14 shells fell on rice fields nearby," Kim said. This means South Korean forces damaged barracks on Mu only. (Dong-A Ilbo, "Military Criticized for 'Ineffective' Response to Attack," December 3, 2010) Calling the incident "an invasion of South Korean territory," South Korean President Lee Myung-bak warned that future provocations could be met with a strong response, although there was no indication of immediate retaliation."I think enormous retaliation is going to be necessary to make North Korea incapable of provoking us again," Lee, who has taken a tough line on North Korea, told reporters during a visit to military headquarters in Seoul. The United States, which has 28,000 troops in South Korea, condemned the attack, but said it was too soon to discuss ways the U.S. military might deter the reclusive communist state from another strike. U.N. Secretary General Ban Ki-moon also condemned the attack, which he called "one of the gravest incidents since the Korean War," but urged restraint and said the two sides should resolve differences through dialogue. "Houses and mountains are on fire and people are evacuating. You can't see very well because of plumes of smoke," a witness on the island told YTN Television. The South Korean military estimated some 100 shells landed on and near Yeonpyeong island, which lies off the west coast of the peninsula. It returned fire with 80 of its own shells.

Photographs from the island, 120 km west of Seoul, showed smoke rising from buildings. Two soldiers were killed and 17 wounded. Three civilians were hurt, while the rest were evacuated from the island after the attack. The attack rattled global markets, already unsettled by Ireland's debt woes and a shift to less risky assets. Experts say North Korea's Kim has for decades played a carefully calibrated game of provocation to squeeze concessions from the international community and impress his own military. The risk is that the leadership transition has upset this balance and that events spin out of control. South Korea's Lee said attacking civilians was unforgivable and any further aggression by Pyongyang would be severely punished. "Our military should show this through action rather than an administrative response" such as statements or talks, said Lee, who was due to speak to U.S. President Barack Obama by phone about the incident. But Lee made no suggestion the South would retaliate further, suggesting Seoul was taking a measured response. North Korea, which has frequently protested joint U.S.-South Korean military exercises, said its wealthy neighbour was to blame. "Despite our repeated warnings, South Korea fired dozens of shells from 1 p.m. ... and we've taken strong military action immediately," its KCNA news agency said in a brief statement. South Korea said it had been conducting military drills in the area beforehand but had fired west, not north. The White House said Obama was "outraged" by the incident, which looked likely to complicate Washington's campaign to persuade Pyongyang to drop its nuclear program. "North Korea has a pattern of doing things that are provocative. This is a particularly outrageous act," said White House spokesman Bill Burton. But while the United States reiterated its commitment to defending the South, the Pentagon said no immediate action was planned. "I wouldn't say we're looking at anything in particular at this point," said Colonel Dave Lapan, a Pentagon spokesman. The attack highlighted the limits of U.S. leverage with North Korea and its main ally China, with some Republican
lawmakers calling for more forceful response. “Maybe this attack will wake up American diplomats addicted to soft-line diplomacy,” Republican Congressman Ed Royce said in a statement. Stephen Bosworth, the U.S. envoy on North Korea who was in Beijing for talks, said all sides agreed restraint was needed. “We both share a view that such conflict is very undesirable, and I expressed to them the desire that restraint be exercised on all sides and I think we agree on that,” he said. China was careful to avoid taking sides, calling on both Koreas to “do more to contribute to peace.” At the United Nations, Security Council diplomats said discussions were under way over how to take up the issue, but North Korea’s envoy said council had no business discussing the incident. Russian Foreign Minister Sergei Lavrov called the escalation in tensions a “colossal danger.” News of the exchange of fire sent the won tumbling in offshore markets with the 1-month won down about four percent at one stage in NDF trading. U.S. 10-year Treasury futures rose and the Japanese yen fell. Korean stocks traded in New York fell 4 percent, led lower by a sharp sell-off in shares of companies like Korea Electric Power and steel producer Posco. (Jack Kim and Lee Jae-won, “South Korea Talks Tough after N. Korean Artillery Attack,” Reuters, November 23, 2010) South Korea’s military suggested December 2 that it had inflicted “many casualties” on North Korea when it returned artillery fire in response to the North’s November 23 bombardment on a southern island. “Satellite images show our shells landed on a cluster of barracks in North Korea, so we presume there have been many casualties and considerable property damage,” said a senior official at the South’s Joint Chiefs of Staff (JCS). The South is still analyzing images taken by its own satellite to assess the extent of damages and casualties on the North’s side, the official said on the condition of anonymity. He declined to elaborate further, but the remarks were the military’s first mention of human casualties in North Korea. Earlier in the day, a lawmaker suggested there were probably “severe human casualties” in North Korea, citing satellite images showing that counterfire by South Korea’s military hit hard one of the North’s barracks near the tense Yellow Sea border. The North’s daylight artillery bombardment left four people dead, including two civilians, on Yeonpyeong Island, the first strike on a civilian area since the 1950-53 Korean War. South Korean marines on the island shot back with some 80 rounds minutes after the North’s shelling. “About 10 artillery shells fired by our military landed onto a military unit compound on Mu-do (in North Korea) and one of them directly hit a barrack,” said Rep. Kwon Young-se of the ruling Grand National Party, citing two satellite images provided by the nation’s spy agency. Kwon is the head of the National Assembly’s intelligence committee. “There might have been severe human casualties,” Kwon told reporters after a parliament committee meeting with officials from the National Intelligence Service (NIS). Mu-do is a small island north of the Yellow Sea border from where a North Korean artillery battalion launched the attack. (Yonhap, “Military Suggests Counterfire Caused ‘Many Casualties’ in N. Korea,” December 2, 2010) Members of the National Assembly Intelligence Committee quoted NIS Director Won Sei-hoon as saying the agency knew from wiretapping that the North Korean regime ordered the military to prepare to attack the five islands in the West Sea. He said the NIS submitted the intelligence report to President Lee Myung-bak. Committee members said since the North is constantly making such threats, the government apparently failed to take it seriously. Based on analysis of U.S. satellite images, he said it is now clear where 45 of 80 artillery shells the South fired struck in the North -- 30 in Kaemori and 15 in Mudo. He separately
showed a domestic commercial satellite photo of the impact points of 14 South Korean artillery shells that landed in the North. Committee members reportedly reacted angrily since they show impact points scattered mainly in paddy and dry fields. *(Chosun Ilbo, “Spies Intercepted Plans for Yeonpyeong Attack in August,” December 2, 2010)* The two civilians killed were contractors working on the military base.

Marines and police found the bodies at a construction site of a marine corps base on Yeonpyeong Island, the coast guard said. The deceased were identified as Kim Chi-baek, 61, and Bae Bok-chul, 60, both of whom were contracted to build a residential building at the marine corps base, it said, adding that their bodies were burned beyond recognition. Kim and Bae were employed by a construction company based in Incheon. Three civilians were among the 18 wounded. *(Yonhap, “Two Civilians Found Dead on S. Korean Island Shelled by N. Korea,” November 24, 2010)* Ten North Korean soldiers died when the South Korean military shot artillery shells at the North in response to the regime’s attack two years ago on Yeonpyeong Island in Ongjin County, Incheon, Seoul’s intelligence officials confirmed November 23. “At that time, we were not able to confirm in detail the full extent of damage caused to the North Korean military, but through various channels, [South Korean] intelligence was able to find out that 10 [North Korean soldiers] had died and around 20 were seriously or slightly injured,” an intelligence official told *JoongAng Ilbo*. Citing local North Korean defector groups, there have been unconfirmed reports that there were between 20 and 40 casualties, but this is the first time that the Seoul government has officially confirmed the extent of the damage in the North. “There were a lot of casualties on the North’s Mu Island where our Marines attacked after the island was shelled by North Korea,” the intelligence official said. “We think that the area wasn’t prepared when it was attacked, which is why there were many casualties.” The official also added that “in a satellite photo at the time, [South Korean officials] were able to find traces of the artillery attacks on some of the military buildings on Mu Island.” Four South Koreans were killed and 19 others were injured. *Rodong Sinmun* had also reported on April 30, 2011, that “Our soldiers are bleeding because of our enemy’s shells. Should we just sit here [and do nothing]?” *(Jeong Yong-soo and Lee Eun-joo, “10 Soldiers from North Died during Island Spat,” *JoongAng Ilbo*, November 24, 2012)*

President Obama and South Korea’s president agreed this evening to hold joint military exercises as a first response to North Korea’s deadly shelling of a South Korean military installation, as both countries struggled for the second time this year to keep a North Korean provocation from escalating into war. The exercise will include sending the aircraft carrier George Washington and a number of accompanying ships into the region, both to deter further attacks by the North and to signal to China that unless it reins in its unruly ally it will see an even larger American presence in the vicinity. The decision came after Obama attended the end of an emergency session in the White House Situation Room and then emerged to call President Lee Myung-bak of South Korea to express American solidarity and talk about a coordinated response. But as a former national security official who dealt frequently with North Korea in the Bush administration, Victor Cha, said just a few hours before the attack began, North Korea is “the land of lousy options.” A senior American official said that an early American assessment indicated that a total of about 175 artillery shells were fired by the North and by the South in response on Tuesday. But an American official who had looked at
satellite images said there was no visible evidence of preparations for a general war. Historically, the North’s attacks have been lightning raids, after which the North Koreans have backed off to watch the world’s reaction. This one came just hours after the South Koreans had completed a long-planned set of military exercises, suggesting that the North Korean attack was “premeditated,” a senior American official said. “They have a 60-year history of military provocations – it’s in their DNA,” said a senior administration official. “What we are trying to do is break the cycle,” a cycle, he said, that has North Korea’s bad behavior rewarded with “talks, inducements and rewards.”

He said that the shelling would delay any effort to resume the six-nation talks about the North’s nuclear program. Obama’s aides made it clear in interviews that the United States had no intention of returning to those talks soon. But its leverage is limited.


BOSWORTH: “I met with Director General Saiki, Foreign Minister Maehara, Vice Foreign Minister Sasae, and last night I met with Deputy Cabinet Secretary Fukuyama. These consultations are taking place in the immediate aftermath of the revelations regarding North Korea’s uranium enrichment program and the report on that by Dr. Siegfried Hecker, which has been featured in the press very recently. Just for the record, we were in touch with Dr. Hecker before he left for North Korea and we have been in touch with him very frequently since he came out of North Korea. Needless to say, we regard this development with great seriousness. We do not consider it a crisis, but it is a very serious development. We believe that the North Koreans are in violation of a substantial number of international agreements that they have entered into and are in violation of UN Security Council resolutions. We are consulting with our partners in the Six-Party process. I was in Seoul yesterday, here yesterday, and I’m going on to Beijing today and I will spend some time there tomorrow. We are also reaching out to consult with Russia and a number of initiatives are underway with regard to the Russians. This, as I said, is a serious development. It’s one that we must clearly take fully into account as we continue our coordination of moves designed to lead eventually to the resumption of the Six-Party Talks. It does not, however, in our view call for a reassessment of our entire strategy toward the DPRK and its nuclear programs, but it is a very serious development. We are committed to moving forward in very close coordination with our partners, particularly of course with our allies, the government of Japan and the government of South Korea. …

Q: Are you willing to impose another sanction to the DPRK? BOSWORTH: Well, we’re certainly going to maintain the existing sanctions until the DPRK has, as called for in UN resolution 1874, made significant progress in the implementation of their commitments to denuclearization.

Q: What would you expect China to do on this matter? BOSWORTH: Well, China also adheres to the joint statement of September ’05 and I should think without question we are all prepared to keep moving forward in the implementation of that. But I’m not going to comment on what China might or might not do, certainly not before I talk to them about it.” (Ambassador Stephen Bosworth, Remarks at the Imperial Hotel, Tokyo, November 23, 2010)

BOSWORTH: “First of all, I want to refer you to the statement issued by the White House today very early morning, Washington time, on the incident that occurred in the
[Yellow] Sea involving the exchange of artillery fire initiated by the North Koreans. I won’t try to interpret or elaborate on the White House statement. I think it speaks for itself. The U.S. strongly condemns this aggression on the part of North Korea, and we stand firmly with our allies. The subject did, of course, come up in my meetings with the Chinese Ministry of Foreign Affairs, and I think we both share the view that such conflict is very undesirable. I expressed to them the desire that restraint be exercised on all sides, and I think we agree on that. I am not going to take questions on this, but I would refer you to the White House statement if you have not already seen it. My conversations here on the subject of how to address the concerns raised by North Korea’s revelations concerning their enriched uranium program were very useful. We had very full and complete exchanges of views. We agreed on the essential need for us to continue coordination and consultation on this issue, the uranium enrichment program, and of course on the subject of how most appropriately and most desirably to bring about a resumption of the Six-Party process. We agree that a multilateral approach to the problems of North Korea remains essential and that we are both committed to the full implementation of the September 2005 joint statement including, in particular of course, the denuclearization of the Korean Peninsula. Q: Is it an option for you to bring one of these issues this issue to the UN Security Council? BOSWORTH: Which issue? Q: One or both. BOSWORTH: That is something which, with regard to the enriched uranium issue, is something we are going to look at. We do not yet have a view on that, but clearly, as I said earlier in other statements, we consider that that was a violation of UN Security Council resolution. It is something we are looking at in the context of that. Q: Did you discuss with the Chinese Government on this issue? BOSWORTH: Not really. No. Q: Doesn’t this put a severe setback on any possibility of the resumption of the Six-Party Talks? BOSWORTH: The resumption of Six-Party Talks has never been an easy process. What we agreed today, in my conversations here, is that from the point of view of China and the United States, we strongly believe that a multilateral, diplomatic approach is the only way to realistically resolve these problems. We are very committed to continue to work at that in every way possible. Q: Do you have a theory about why today’s incident happened? BOSWORTH: No.” (Ambassador Stephen Bosworth, Remarks after Meeting with the Chinese Ministry of Foreign Affairs, Beijing, November 23, 2010)

The North Korean government told a team of visiting American experts last week that it would effectively dismantle one of its nuclear weapons programs if the United States again pledged that it had “no hostile intent” toward the government of Kim Jong Il, a member of the delegation said. Leon Sigal, director of the Northeast Asia Cooperative Security Project at the Social Science Research Council, said North Korean officials told him and other visitors that the government in Pyongyang is willing to transfer all of its nuclear fuel rods, which can be used to produce weapons-grade plutonium, to a third country. In exchange, North Korea wants to have the United States reiterate its commitment to a joint communique issued by the two countries in October 2007, which included a statement that the United States bears no ill will toward North Korea. Obama administration officials have reacted coolly to the proposal, which comes amid a flurry of revelations about North Korea’s nuclear program and new threats from the government in Pyongyang. The North Korean government told a team of visiting American experts last week that it would effectively dismantle one of its nuclear
weapons programs if the United States again pledged that it had "no hostile intent" toward the government of Kim Jong Il, a member of the delegation said. A senior Obama administration official said that he was aware of the new North Korean offer but that the administration was not predisposed to embrace it, partly because of the new revelations about the uranium-enrichment program. "Their plutonium program would appear not to be their sole vehicle at the moment," the official said, speaking on the condition of anonymity to discuss internal deliberations, "so the offer, if there were an offer, concerning facilities nearing the end of their useful life is not sufficient." "We will not be drawn into rewarding North Korea for bad behavior," State Department spokesman P.J. Crowley said yesterday. "As Ambassador Bosworth himself said, this obviously is an issue of concern, not a crisis. We are going to consult with our partners and coordinate a unified response to North Korea's actions." The George W. Bush administration first raised alarms about a program in 2002 and then discovered new evidence pointing to such a program during negotiations about shutting down the Yongbyon plant in 2007-2008, former national security adviser Stephen J. Hadley said in an interview Monday. Hadley said the evidence - which included in-depth scientific analysis of enriched-uranium traces that were discovered on smelted aluminum tubes and reactor documents - was obtained by U.S. diplomats during the negotiations with Pyongyang. North Korea had provided the materials in an effort to rebut allegations that it had a uranium program but "actually raised our concerns and gave us new insights," he said. Hadley said the information convinced the Bush administration to push for a comprehensive verification program, but that was rejected by North Korea and negotiations stalled. "We left the stage with considerable concerns about the enrichment program, which have only been borne out in the last two years," Hadley said. Victor Cha, an expert on Asian security at the Center for Strategic and International Studies who worked with Hadley during the Bush administration, said the choreography of the past few weeks is part of a plan by North Korea to be accepted as a nuclear weapons state. "In many ways this is our worse nightmare," he said. "They've shown that they've developed things beyond people's expectations and in a facility that we've been looking at for 20 years. The administration has really got its work cut out for it." (John Pomfret, "N. Korea Suggests Discarding One of Its Nuclear Arms Programs in Deal," Washington Post, November 23, 2010)

The Obama administration began a broad effort to enlist China to help rein in North Korea in the wake of its deadly attack Tuesday on South Korea. Adm. Mike Mullen, the chairman of the Joint Chiefs of Staff, urged China to act, calling Beijing "absolutely critical" to the international effort to get North Korea to stop its military provocations. "It's very important for China to lead," Admiral Mullen said Wednesday on the ABC program "The View." "The one country that has influence in Pyongyang is China." President Obama was preparing to make a personal telephone plea to President Hu Jintao of China, White House officials said. They added that Secretary of State Hillary Rodham Clinton is likely to call China's foreign minister, Yang Jiechi, to follow up on similar calls from other senior American officials to their Chinese counterparts. But few analysts expect China, wary of destabilizing the North, its unpredictable neighbor, to employ its economic and military leverage in any substantial way to try to alter its behavior. And in Seoul, the South Korean government was left struggling to find the right response, as President Lee Myung-bak found himself with no clear way to
proceed despite his past vows to take a hard line against the North. While China has in the past tried to influence North Korea, it has been reluctant to do so in recent months. The reason in part, analysts say, is that Beijing does not want to destabilize the North when it is in the middle of a succession process brought on by the illness of its leader, Kim Jong-il, who is believed to be making way for one of his sons, Kim Jong-un, to take over. “Beijing doesn’t want the collapse of the regime,” said Victor Cha, an Asia expert at the Center for Strategic and International Studies. China, said Mr. Cha, who worked at the National Security Council under President George W. Bush, has “made the core strategic calculation that unification of the North and the South, with the United States as an ally, is not in Chinese interests.” That puts the Obama administration and South Korea in the precarious position of trying to press Beijing to take a stand that China’s leaders do not believe to be in China’s best interests – a tough job under any circumstances, but particularly now, during North Korea’s succession. Pentagon officials said the joint exercise in waters west of the Korean Peninsula would run Sunday to Wednesday. Military officials said the carrier George Washington had been preparing to sail from its port in Japan to join the Japanese Navy in an exercise to begin December 3. After the artillery exchange between the two Koreas, the carrier was ordered to drill with South Korea’s navy before joining the Japanese. “To the Chinese, the message is that if North Korea undertakes actions such as uranium enrichment or the attack on the South that threaten our equities, the U.S. will respond in ways that negatively affect China’s perceived interests,” a senior administration official said on Wednesday. “The response is directed at messaging North Korea and reassuring South Korea, but China clearly does not like to see U.S. aircraft carriers, for example, in the Yellow Sea.” The administration is also considering additional joint exercises with South Korea, administration officials said, although they declined to say exactly what form those largely symbolic exercises might take. One administration official said the additional exercises could include naval and air exercises, or even exercises involving ground troops. “We would welcome a more clear-cut Chinese position, differentiating between the aggressor and the victim in the attack,” the Obama administration official said. “And making clear the unacceptability of uranium enrichment. We’d like to see a more clear-cut Chinese position on both of those issues.” (Helene Cooper and Martin Fackler, “U.S. Asking China to Help Rein in North Koreans,” New York Times, November 25, 2010, P. A-1)

U.S. President Barack Obama said that Washington stands firmly committed to defending South Korea as anger at Pyongyang deepened after two civilians were confirmed dead in the communist nation’s deadly shelling of a southern island. Marines found their bodies at a construction site on Yeonpyeong Island, the first civilian deaths recorded in yesterday’s attack. That brought the number of deaths in the attack to four, including two marines. Eighteen others were also wounded. Defense Minister Kim Tae-young reported to the National Assembly that North Korea fired about 170 rounds of artillery yesterday, with 80 of them landing on the island and the others in nearby waters. Kim pledged to “respond resolutely” if North Korea resumes shelling or makes any further provocations. Obama spoke by phone with South Korean President Lee Myung-bak, reaffirming Washington’s security commitment to Seoul. The two leaders condemned the attack as a premeditated provocation, Lee’s office said. “The United States stands shoulder-to-shoulder with our close friend and ally”
South Korea, Obama told Lee, according to a White House statement. The U.S. will "work with the international community to strongly condemn this outrageous action by North Korea," it said. In particular, Obama called for China's cooperation in handling North Korea, Lee's office said. Lee and Obama also agreed to conduct joint military exercises in the Yellow Sea. The American military in Seoul said the four-day drills, set to begin on November 28, will involve the aircraft carrier USS George Washington, a show of force designed to deter the belligerent regime and warn against further provocations. The shocking daylight attack marked the first time North Korea has shelled South Korean soil and civilian areas since the 1950-53 Korean War. Pyongyang's provocations had so far been limited to maritime skirmishes or gunfights across their heavily armed border. Today, South Korea halted aid to North Korea, vowed to bolster firepower on front-line islands and promised harsher retaliation against future provocations by the North. Yesterday, Seoul indefinitely put off scheduled talks with Pyongyang. North Korea claimed the South fired first and has warned of further attacks. Pyongyang accused Seoul of "ruining" further chances of reuniting families separated by the Korean War and said it will "no longer seek to resolve humanitarian issues" with the South. South Korea has suspended the shipment of flood aid to North Korea. Unification Ministry spokesman Chun Hae-sung said in a briefing that 5,000 tons of rice, 3 million packs of instant noodles and 3,000 tons of cement have been sent to the North Korean town of Sinuiju, which borders China, as of today. But 7,000 tons of cement has yet to be delivered, Chun said, adding that medical supply aid worth 580 million won (US$500,000) will also be halted from being sent to the North. "Our judgment is that North Korea carried out the attack to consolidate the succession process in the country by showing off the leadership of Kim Jong-un," DefMin Kim told lawmakers. "After revealing the new uranium enrichment facility on November 12, we judged that North Korea made the artillery attack to give Kim Jong-un the status of a strong leader." Kim pledged to revise the code of engagement to ensure that the country gives at least twice as strong a response when under attack. The minister also said, however, that the government took into consideration the possibility of the clash escalating into a full-scale war. (Yonhap, "Seoul Announces Halt of Aid to N. Korea, Firepower Buildup, Military Drills," November 24, 2010)

The United States urged China to persuade North Korea to refrain from provoking South Korea and abide by its denuclearization commitment. "China does have influence with North Korea and we would hope and expect that China will use that influence, first to reduce tensions that have arisen as a result of North Korean provocations and then secondly to continue to encourage North Korea to take affirmative steps to denuclearize," said Philip Crowley, State Department spokesman. "China is pivotal in moving North Korea in a fundamentally different direction." Crowley was addressing North Korea's firing about 170 artillery shells at an island near the disputed sea border in the Yellow Sea, killing two soldiers and twocivilians and injuring dozens of others. (Hwang Doo-hyong, "U.S. Urges China to Influence N. Korea to Reduce Tensions: State Dept.," Yonhap, November 24, 2010)

DPRK FoMin spokesman: "As already reported by the Supreme Command of the KPA, the revolutionary armed forces of the DPRK on November 23 took a decisive self-
defensive measure to cope with the enemy’s reckless military provocation of firing shells inside the territorial waters of the DPRK side around Yonphyong Islet in the West Sea of Korea. The army of the DPRK warned several times that if even a single shell of the enemy is fired inside the territorial waters of the DPRK, it will take a prompt retaliatory strike in connection with the live shell firing drill they planned to stage from Yonphyong Islet while conducting the ill-famed war maneuvers for a war of aggression against the DPRK codenamed Hoguk. At 8:00 a.m. on November 23, the very day the incident occurred, the head of the delegation of the DPRK side to the inter-Korean military talks sent a telephone message to the head of the delegation of the enemy side once again strongly urging it to cancel the plan for staging the above-said firing drill in the waters around the islet, the sensitive waters. This notwithstanding, the enemy committed such an extremely reckless military provocation as firing dozens of shells from the islet inside the territorial waters of the DPRK side from around 13:00. The enemy fired shells from the islet which is so close to the territory of the DPRK that it is within each other’s eyeshot despite the fact that there are so many mountains and rivers, sea waters and islets in south Korea. This powder-reeking saber-rattling cannot be construed otherwise than a politically motivated provocation. The enemy is claiming that they fired shells southward from the islet in a bid not to get on the nerves of the DPRK but Yonphyong Islet is located deep inside the territorial waters of the DPRK away from the maritime military demarcation line. If live shells are fired from the islet, they are bound to drop inside the territorial waters of the DPRK side no matter in which direction they are fired because of such geographical features. The ulterior aim sought by the enemy is to create the impression that the DPRK side recognized the waters off the islet as their ‘territorial waters,’ in case that there was no physical counter-action on the part of the former. Herein lies the crafty and vicious nature of the enemy’s provocation. The army of the DPRK took such a self-defensive measure as making a prompt powerful strike at the artillery positions from which the enemy fired the shells as it does not make an empty talk. This incident is one more dangerous development which took place because of the illegal ‘northern limit line’ unilaterally fixed by Clark, UN forces commander, as he pleased on August 30, 1953 after the conclusion of the Korean Armistice Agreement. The U.S., its followers and some bosses of international bodies should drop such bad habit as thoughtlessly accusing somebody before learning about the truth about the incident. If they shield south Korea, the criminal, without principle, just for being their ally, this is little short of feeding oil to the fire. The DPRK that sets store by the peace and stability of the Korean Peninsula is now exercising superhuman self-control but the artillery pieces of the army of the DPRK, the defender of justice, remain ready to fire.” (KCNA, “Statement Released by Spokesman of the DPRK Foreign Ministry,” November 24, 2010)

If it declines to hold talks with North Korea unless the government there agrees to give up its nuclear weapons - part of the Obama administration's policy of "strategic patience" - Pyongyang could escalate with more artillery barrages or with an attack on a South Korean warship, similar to the one it is accused of launching in March. The government could also conduct a third nuclear test, long rumored to be in the offing, or continue to hawk its nuclear-weapons technology abroad. On the other hand, if the Obama administration is pulled into talks with the North Koreans, it won’t be able to
escape the appearance that it is caving in the face of pressure. And even if talks do resume, there is no guarantee that North Korea won’t continue the provocations and attacks. "We’ve had an underlying philosophy of not rewarding bad behavior with concessions," said a senior administration official, speaking on the condition of anonymity because of the sensitivity of the issue. "And that philosophy will continue to underlie our next steps." Still, without some form of renewed engagement, analysts such as Siegfried Hecker, the former director of the Los Alamos National Laboratory who was shown North Korea’s uranium-enrichment program on November 12, worry that North Korea will simply continue along its confrontational path. "You have to address the fundamentals of North Korean security," Hecker said. For now the Obama administration’s primary concern is the security of the South - and ensuring that the situation does not spin out of control. President Obama learned of the attack at 3:55 a.m., according to a spokesman. He called South Korean President Lee Myung-bak on Tuesday night to tell him that “the United States stands shoulder to shoulder with our close friend and ally” and remains “firmly and fully committed” to South Korea’s defense. A senior U.S. military official said the United States was urging restraint by South Korea, saying, "Nobody right now wants to see this escalated." The attack occurred in a region that has long been a flash point between the two Koreas. The two have battled three times in those seas in recent years, most recently in November 2009, when the South blasted a North Korean warship in an attack that some analysts suggested set the stage for the sinking of the Cheonan in March. "They waited for approximately four hours after the exercise was over before they started lobbing shells," the senior U.S. military official, also speaking on the condition of anonymity, said of Tuesday’s barrage. "It’s not like they heard the sound of guns and thought they were under attack and started volleying." In an official statement, South Korean government spokesman Hong Sang-pyo called the North’s action a "clear military provocation" and warned that any further attack would be met with "stern retaliation." (John Pomfret, “N. Korea Attack Leaves U.S. with Tough Choices,” Washington Post, November 24, 2010, p A-1)

Anger from conservatives - even the ruling Grand National Party - over the Lee administration’s soft reaction to North Korea’s deadly shelling of Yeonpyeong Island boiled over yesterday. The military also came under heavy criticism for failing to react more strongly. Lawmakers grilled Minister of National Defense Kim Tae-young about the armed forces’ initial counterattack on the North, saying the military should have responded more ruthlessly, including conducting an air strike on the guns used in the attack. Yesterday’s artillery barrage on the island near the western inter-Korean border was the first North Korean attack on South Korean soil since the Armistice Agreement ended the Korean War in 1953. It was also the second deadly attack on the South in less than eight months. The North torpedoed the warship Cheonan in March, which Pyongyang denies. President Lee Myung-bak had roller-coaster reactions to the attack throughout yesterday as Blue House officials repeatedly changed the tone of what Lee said. Shortly after the attack, Lee was quoted by the presidential office during an emergency meeting that the government must “do everything to prevent the situation from escalating into a full-blown war.” Blue House senior presidential secretary for public affairs, Hong Sang-pyo, retracted that remark a few hours later and flatly rejected that Lee had ordered the military to refrain from taking any actions that could
escalate the situation. The denial was reiterated by the presidential chief of staff, Yim Tae-hee, at a National Assembly hearing yesterday. Later last night, Lee visited the Joint Chiefs of Staff, and Blue House officials quoted the president ordering “powerful retaliation if the North stages additional provocations,” including a strike on a missile base if necessary. “The retaliation must be so powerful that the North would never provoke again,” Lee was quoted as saying. Conservatives were upset about the president’s initial response. Even the ruling Grand Nationals raised their voices at a meeting of lawmakers to criticize the Blue House’s tepid handling of the situation. GNP Representative Hong Sa-duk attacked the Blue House’s soft stance. “Let me say a word about those bastards at the Blue House who advised the president to say the situation should be managed to avoid a full-blown war,” Hong said. “They must all be fired for advising the president to have such a weak response.” Said GNP Representative Song Kwang-ho, “What did our military do for an hour after the North’s attack? The game is all over and what stern countermeasures are we talking about? He added, “We must use all our firepower to devastate the North if a single round of shell lands here.” GNP lawmaker Kim Jang-soo, who served as a defense minister in the Roh Moo-hyun administration, urged the military to act more aggressively. “The military’s countermeasure to the second attack was disappointing,” he said. “It is understandable to counter the first shelling with the K-9 artillery system, but we should have countered the second attack with a ruthless surgical air strike.” If there is another provocation, you should hit them hard, even if it will cost your minister’s post,” Kim said. (Ser Mo-ja, “Conservatives Vent Fury over Lee’s Soft Response to Attack,” JoongAng Ilbo, November 24, 2010)

CRS: “North Korea announced on May 25, 2009, that it had conducted a second nuclear test. ODNI stated: “The U.S. Intelligence Community assesses that North Korea probably conducted an underground nuclear explosion in the vicinity of P’unggye on May 25, 2009. The explosion yield was approximately a few kilotons. Analysis of the event continues.” The lack of certainty as to whether the test was nuclear arises because seismic signals, including those detected by 61 stations of the IMS, were consistent with a nuclear test, and seismic signals from the 2006 and 2009 events were very similar, but open sources did not report the detection of physical evidence that would provide conclusive proof of a nuclear test, such as certain radioactive isotopes of noble gases or radioactive particulates (i.e., fallout). For example, the CTBTO PrepCom stated, The detection of radioactive noble gas, in particular xenon, could serve to corroborate the seismic findings. Contrary to the 2006 announced DPRK nuclear test, none of the CTBTO’s noble gas stations have detected xenon isotopes in a characteristic way that could be attributed to the [2009] PRK event so far, even though the system is working well and the network’s density in the region is considerably higher than in 2006. … Nor have CTBTO Member States using their own national technical means reported any such measurements. Given the relatively short half-life of radioactive xenon (between 8 hours and 11 days, depending on the isotope), it is unlikely that the IMS will detect or identify xenon from this event after several weeks. It would be desirable to establish if the event was nuclear because the possibility that chemical explosives caused the seismic waves could undermine confidence in the ability to verify compliance with the
CTBT. Earthquakes can be differentiated from explosions (whether chemical or nuclear) because their seismic waves have different characteristics. But while seismic signals from the 2009 event were consistent with a nuclear test, it is very difficult to differentiate between seismic signals generated by a nuclear test and a chemical explosion of comparable energy, so it is conceivable that the test was nonnuclear. Geoffrey Forden, a scientist at MIT, posits a scenario in which a room could be filled with 2,500 tons of TNT, enough to create an explosion within the yield range estimated for the 2009 North Korean test, in two months using about four 10-ton truckloads per day. He finds this scenario “quite doable and to be potentially undetectable by the West.” The United States conducted large aboveground and underground tests using chemical explosives to simulate some effects of nuclear explosions. The CTBTO PrepCom cites analysis that rejects the chemical-explosive possibility: Verification technology experts such as Professor Paul Richards from the Lamont-Doherty Earth Observatory, Columbia University, USA, considered the scenario of a “bluff”, i.e. the creation of a nuclear explosion-like seismic signal using conventional explosives. While technically possible, he stated that it was highly implausible. As CTBTO seismic data have clearly indicated an explosion of a yield many times greater than that of 2006, it would have required several thousand tons of conventional explosives to be fired instantaneously. Richards explained that such a massive logistical undertaking would have been virtually impossible under the prevailing circumstances and would not have escaped detection. … The ability to contain radioactive material from the 2009 test offers several potential benefits for North Korea. First, …venting would arguably not be in North Korea’s interests. Fallout reaching China could harm North Korea’s relationship with its major ally, perhaps leading China to increase pressure on North Korea to halt nuclear testing or even its nuclear weapons program. Fallout reaching Russia could have a similar effect. Fallout on Japan or South Korea would likely antagonize them. Fallout on North Korea could contaminate land. Avoiding fallout is reason enough for North Korea to try to improve its containment capabilities. Second, if particulates containing uranium or plutonium vented and could be collected at a distance, other nations could analyze them in an attempt to gain data on weapon characteristics, helping to track problems and progress of North Korea’s nuclear weapons program. This is another reason for North Korea to focus on containment of its underground explosions. Third, absence of radionuclides from a nuclear test, as a result of containment, could make it harder to muster the 30 votes in the 51-member CTBTO Executive Council needed to authorize an OSI by providing scientific cover to nations that wanted to deny a request for an OSI on political grounds. This approach could be more significant for a nation with more allies than North Korea has. On the other hand, a lack of radioactive noble gases combined with a nuclear explosion-like seismic signal and other technical evidence would provide a compelling technical case for requesting an OSI. Of course, the surer way for North Korea to avert OSIs would be for that nation not to ratify the CTBT, keeping it from entering into force. Fourth, and more speculatively, successful containment could enable other nations to conduct nuclear tests in North Korea. This does not appear to have happened, but Iran is a possible candidate. The two have a record of conventional arms trade and missile cooperation…. Many press reports of late 2010 speculated on whether DPRK was preparing another nuclear test and when such a test might occur:
• “Unification Minister Hyun In-taek on [October 22] said the government is watching North Korea closely for signs that the Stalinist country is preparing another test…. But Hyun added the chances are ‘low’ at the moment.”

• “A U.S. reconnaissance satellite has detected signs of North Korea preparing for a nuclear test in North Hamgyong Province, where it had conducted two earlier tests in October 2006 and May 2009. A South Korean government source on [October 20] said ‘brisk movement’ of vehicles and people has been detected in Punggye-re recently…. However, it seems unlikely that the North will conduct a third nuclear test in the immediate future since current activities there suggest it will take ‘about three months’ to prepare, the source added.”

• The Defense Minister of the Republic of Korea, Kim Tae-Young, “told lawmakers the North is ‘constantly seeking to make its nuclear weapons smaller’ for possible future delivery by ballistic missiles or bombers…. But Kim said he sees ‘no clear signs’ so far that the communist country is preparing for another test.” (Nuclear testing is one way to reduce the size of nuclear weapons.)

• “A government official says Seoul has yet to find substantial evidence that suggests that North Korea is seeking to conduct another nuclear test.”

• “New satellite imagery shows renewed activities in northeastern North Korea where Pyongyang conducted its second nuclear test in May 2009, but it is too early to say whether another test is imminent, a U.S. analyst told Kyodo News on Wednesday. Images captured by DigitalGlobe Inc., an American company specializing in geographical imagery, suggest work is being carried out at the site in North Hamgyong Province, according to Allison Puccioni, an image analyst for the defense intelligence group Jane’s. She said one of the images taken on Oct. 16 shows at least six vehicles or pieces of equipment at the site’s operation base. There also appears to be a 12-meter-wide pile of excavated debris in the base’s staging area, indicating that tunneling is under way.”

• “A Japanese government official said … ‘the timing cannot be specified, but a nuclear test could happen any time.’”

• “A Cheong Wa Dae official said, ‘North Korea is up to something, but we don’t expect anything to happen right now.’ Judging from the depth of the shaft that has been dug so far, it will apparently take three to six more months before a nuclear test can be conducted.”

• “A South Korean government official says that it has yet to confirm detailed proof that North Korea is preparing for another nuclear test at a nuclear testing site in Gilju County, North Hamgyeong Province.”

From the foregoing and similar reports, it appears that as of late November 2010, North Korea is conducting work at its nuclear test site, that this work is consistent with preparations for a nuclear test, and that the site is not ready for a nuclear test. It is not clear if the work is farther along than the reports imply; or if the apparent excavation is a ruse, with no actual work done; or if preparations for a nuclear test are underway at another site elsewhere in North Korea.” (Jonathan Medalia, *North Korea’s 2009 Nuclear Test: Containment, Monitoring, Implications*, Congressional Research Service, November 24, 2010)
to the Northern Limit Line, the de facto maritime border. "This type of provocation [by North Korea] can happen again at any time. We must strengthen our alert, especially in the West Sea area," President Lee Myung-bak said in an emergency meeting with top security and economic officials. "Vulnerable areas like the five West Sea islands must be thoroughly prepared with the latest equipment to counter localized provocations and asymmetric warfare threats." The government decided to overhaul its military rules of engagement, which had been designed to prevent an escalation in fighting, to focus on repulsing attacks. Cheong Wa Dae spokesman Hong Sang-pyo told reporters, "We will amend the rules of engagement to shift the parameters in dealing with North Korea’s provocations." (Chosun Ilbo, “Seoul to Change Rules of Engagement with N. Korea,” November 26, 2010)

President Lee Myung-bak finally accepted the resignation of Defense Minister Kim Tae-young, after questions arose over the country’s military readiness following the North Korean shelling of the border island of Yeonpyeong. Kim had asked to be relieved of his duties in May in the fallout following the North Korean attack on the South Korean warship Cheonan in March, the first of a series of provocative actions by the North this year. Cheong Wa Dae had been delaying its decision on whether to accept Kim’s resignation, but Tuesday’s artillery attacks on Yeonpyeong Island, which killed four people, including two civilians, apparently was the last straw. Kim Byoung-gi, presidential secretary for defense affairs, will be replaced as well, the Cheong Wa Dae official added. (Kim Tong-hyong, “Attack Claims Defense Minister,” Korea Times, November 25, 2010) President Lee Myung-bak named former chairman of the Joint Chiefs of Staff Kim Kwan-jin as defense minister, replacing Kim Tae-young whose resignation offer was accepted a day earlier. Born in Jeonju, North Jeolla Province, Kim, 61, graduated from the Korea Military Academy and served as the commanding general of the 35th Army Division, commander of the 2nd Army Corps, chief director of the JCS Joint Operations Headquarters and assumed command of the 3rd Army in 2005. He became the 33rd chairman of the JCS in 2006, and was replaced by Kim Tae-young in 2008. (Kim So-hyun, “Ex-JCS Chief Named Defense Minister,” Korea Herald, November 26, 2010)

A seemingly innocuous picture released by KCNA recently showing leader Kim Jong-il and his son Jong-un visiting a duck and a fish farm has fuelled speculation that Tuesday’s attack on Yeonpyeong Island was approved from the very top. Next to Kim father and son in the picture stands Kim Myong-guk, a four-star general and chief of the People’s Army General Staff in charge of military operations. The fact that Gen. Kim accompanied the dictator supports that belief. Baek Seung-joo of the Korean Institute for Defense Analyses said, "Several political military figures accompany Kim Jong-il. It’s very unlikely that someone as high up as the chief of military operations went all the way to South Hwanghae Province just to see a fish farm." The supreme military commander in wartime is Kim Jong-il, followed by Ri Yong-ho. The chief of the People’s Army General Staff, Kim Myong-guk, and commanders of army, navy and air force are next. "The real purpose of Kim’s trip to South Hwanghae Province must have been to check up on the firing plans just before the attack," a South Korean intelligence officer said. "Kim Myong-guk probably gave a briefing on the preparation
and got the final approval from Kim Jong-il." (Chosun Ilbo, “Kim Jong-il’s Visit to Coast Raises Suspicions,” November 25, 2010)

Despite an announcement that it will consider additional sanctions against North Korea for Tuesday’s shelling of a South Korean island, Japan’s hands are tied. Officials acknowledge that few options are available and any new measures would have only a limited impact. A variety of steps are already in place, and, as a government source put it, "it would be difficult for Japan alone to change the situation." So when Chief Cabinet Secretary Sengoku Yoshito announced two nights ago that Japan will consider imposing additional sanctions, his remark surprised many government officials. "By any yardstick, it would be impossible for Japan (to impose additional sanctions)," a senior official of the Foreign Ministry said. Earlier that day, Sengoku himself admitted to those close to him that no meaningful options remain, sources said. A Foreign Ministry source, noting that South Korea and the United States have not imposed additional sanctions, said "it would make little sense from a diplomatic point of view" for Japan alone to ratchet up pressure. Nevertheless, domestic circumstances require the administration of Prime Minister Kan to act. Its crisis management is under severe scrutiny following a row with China over the disputed Senkaku Islands in the East China Sea and other diplomatic problems. Yesterday, Sengoku said the government will suspend a procedure to extend tuition subsidies to pro-Pyongyang high schools. The statement was seen as a gesture to fend off criticism about government inaction. Since the Democratic Party of Japan took power last year, there has been no progress in Japan’s diplomatic efforts to rein in North Korea’s nuclear and missile programs or resolve the issue of abducted Japanese nationals. "Japan’s relations with North Korea will not move forward without political will," said a senior ministry official. Foreign Minister Maehara Seiji met yesterday with China’s ambassador to Japan, Cheng Yonghua, who was quoted as telling him that Beijing hopes the situation will not deteriorate further. Maehara pointed to a major role Beijing is expected to play in resolving the issue. While the opposition camp also called on the government to work with China, Kan, asked what specific approaches he was taking, only said: "I understand the foreign minister summoned the Chinese ambassador and conveyed the message." Kan is again under attack for his government’s responses. Asked in the Diet today why it took his administration seven hours to state its official view on the North’s attacks, Kan said, "We were able to take swift action firmly." (Asahi Shimbun, “Japan’s Option on North Korean Sanctions Limited,” November 26, 2010)

China engaged in a flurry of diplomatic activity, three days after a North Korean artillery attack on South Korean civilians, but its most public message was directed at the United States, which is about to begin joint exercises with South Korea’s Navy. In a statement from its Foreign Ministry, China warned against “any military acts in our exclusive economic zone without permission,” the state-run Xinhua news agency reported Friday. But virtually all the waters to the west of the Korean Peninsula, where the United States said the exercises would take place, lie within that zone, and American naval traffic is far from uncommon there. The Chinese foreign minister, Yang Jiechi, met with the North Korean ambassador on Friday and spoke by phone with his South Korean and American counterparts, but few details emerged about the content of their conversations. A State Department spokesman said that Secretary of State
Hillary Rodham Clinton had called Yang. Xinhua reported that Yang stressed that China was “very concerned” about the situation, saying, “The pressing task now is to put the situation under control and prevent a recurrence of similar incidents.” In a statement about the joint naval exercises, which are scheduled to begin on Sunday, a Chinese Foreign Ministry spokesman, Hong Lei, said: “We hold a consistent and clear-cut stance on the issue. We oppose any party to take any military acts in our exclusive economic zone without permission.” This introduced into the mix China’s decade-old efforts to equate economic waters, which usually extend about 200 nautical miles off a country’s coast, with territorial waters, which usually reach about 12 nautical miles off a coast. A statement from the United States Navy’s Seventh Fleet, issued in apparent anticipation of Chinese complaints about the exercise, listed the number of times American aircraft carriers had operated in the waters west of the Korean Peninsula, including a mission in October 2009. The statement also noted that American aircraft carriers frequently visited South Korea and conducted port visits, including the aircraft carrier George Washington earlier this year, the John C. Stennis in March 2009, and the Ronald Reagan, the Nimitz and the George Washington in 2008. The United States, which had already sent the George Washington to the region in response to the North Korean attack, made another show of solidarity with the South on Friday; the commander of American forces in South Korea, Gen. Walter L. Sharp, visited Yeonpyeong Island to survey the damage from the hourlong bombardment on Tuesday, which killed two civilians and two South Korean marines. But North Korea remained defiant, firing off artillery rounds right after the general’s visit. The rounds did not fall on South Korean territory, but rattled nerves on the island nonetheless. A spokesman for the South Korean Defense Ministry, Kwon Ki-hyeon, said the shots appeared to stay within North Korean territory, suggesting that they had been part of a drill or perhaps an effort to frighten the South Korean garrison on the island, which lies within sight of the North Korean mainland. (Ian Johnson and Martin Fackler, “China Addresses Rising Korean Tensions, But with a Warning to the U.S.,” New York Times, November 27, 2010, p. A-4)

Committee for the Peaceful Reunification of Korea statement: “The south Korean puppet group is now getting hell-bent on the wholesale racket for confrontation with the DPRK while groundlessly taking issue with the army of the DPRK over its due punishment meted to the group for its reckless military provocation. The recent military provocation by the puppet group is a product of the deliberate and premeditated plot hatched by it to save its smear confrontational campaign from total bankruptcy, tarnish the daily rising might of the DPRK, scuttle the efforts for improving the north-south relations and tide over the domestic and international isolation and crisis. ...The group perpetrated the recent provocation prompted by a sinister calculation that in case the DPRK did not make any reaction it would take it as ‘a tacit recognition’ of the illegal ‘northern limit line’ and make it a fait accompli and in case the DPRK took a military counter-action, it would use it as a pretext for kicking up anti-DPRK smear campaign. This notwithstanding, the chief executive of south Korea did not bother to cry out for ‘much stronger punishment’ while pulling up the DPRK. This is nothing but last-ditch efforts of those who were hit hard after making hasty provocation. The prevailing situation clearly proves that the DPRK’s warnings and domestic and foreign concerns that the seizure of power by the Lee Myung Bak group
of conservatives would bedevil the inter-Korean relations and lead to a war were by no means for nothing. If the puppet group insists on confrontation with the DPRK, the DPRK does not have any idea of dodging it at all. **It is the temperament of the DPRK to resolutely counter confrontation with confrontation and war with war.** The army and people of the DPRK are now greatly enraged at the provocation of the puppet group while getting fully ready to give a shower of dreadful fire and blow up the bulwark of the enemies if they dare to encroach again upon the DPRK’s dignity and sovereignty even in the least. The group should not run amuck, clearly understanding the will and mettle of the highly alerted army and people of the DPRK to wipe out the enemies. Escalated confrontation would lead to a war and he who is fond of playing with fire is bound to perish therein. **Gone are the days when verbal warnings are served only. We will respond to good faith in kind but punish the provocateurs encroaching upon our dignity and sovereignty with resolute and merciless counter-action.**” (KCNA, “CPRK Warned S. Korean Puppet Group Not to Do Rash Action,” November 26, 2010)

KCNA: “The U.S. imperialists and south Korean puppet war-like forces announced a plan to stage combined exercises in the West Sea of Korea from November 28 to December 1, according to south Korean Yonhap News. To be involved in this saber-rattling are USS George Washington and various type warships such as cruisers, destroyers, patrol boats and escort warships and antisubmarine aircraft as well as huge aggression forces of the U.S. and south Korea. The Command of the U.S. Forces in south Korea announced that the combined war maneuvers were aimed to demonstrate the ‘alliance’ with south Korea. **The situation on the Korean Peninsula is inching closer to the brink of war due to the reckless plan of those trigger-happy elements to stage again the war exercises targeted against the DPRK in wake of the grave military provocation they perpetrated against the territorial waters of the DPRK side in the West Sea of Korea while staging the Hoguk war maneuvers for aggression against the DPRK.**” (KCNA, “U.S.-S. Korean Warmongers Contemplate More War Maneuvers,” November 26, 2010)

North Korea staged artillery drills that sent some South Koreans scrambling for bomb shelters, as South Korea and the U.S. geared up for naval exercises they say will send a clear message to Pyongyang. North Korea, which said the naval drills will push the peninsula closer to war, fired a barrage of about 20 artillery shells just across from Yeonpyeong Island, the target it hit on Tuesday, killing four people and destroying dozens of homes. (CBC, “North Korea Stages New Military Drills,” November 26, 2010)

A defiant flash of North Korean artillery within sight of the island that it attacked this week sent a warning signal to Seoul and Washington: The North is not backing down. The apparent military drill came as the top U.S. commander in South Korea toured the island of Yeonpyeong to survey the wreckage from the rain of artillery three days earlier and a U.S. nuclear-powered aircraft carrier headed toward the Yellow Sea for exercises next week with South Korea. The North sees the joint drills, which are scheduled to start Sunday, as a major military provocation and voiced its anger in a dispatch earlier today. A North Korean official boasted that Pyongyang’s military had “precisely aimed and hit the enemy artillery base” as punishment for South Korean military drills - a reference to Tuesday’s attack - and warned of another “shower of
dreadful fire," the KCNA reported. Only a few dozen residents remain on Yeonpyeong, with most of its population fleeing in the hours and days after the attack as authorities urged them to evacuate. China expressed worry over any war games in waters within its exclusive economic zone, although the statement on its Foreign Ministry Web site did not mention the drills starting Sunday. That zone extends 230 miles from China’s coast and includes areas south of Yeonpyeong cited for possible maneuvers, although the exact location of the drills is not known. (Foster Klug and Lee Jin-moon, Associated Press, “N. Korea Issues New Warning via Artillery,” Washington Post, November 27, 2010, p. A-6)

A day after adopting a bipartisan resolution denouncing North Korea for its deadly attack on Yeonpyeong Island, ruling and opposition legislators sparred today over the “right” North Korea policy. Speaking at an extended party meeting, Chairman Sohn Hak-kyu of the main opposition Democratic Party (DP) said “The Lee Myung-bak administration is incapable in terms of security, with no ability to adequately prepare for and respond to a North Korean attack.” He added that, “War can never be the solution, and we should follow the way of peace. There is no better security than peace.” Rep. Chung Dong-young, a member of the DP’s Supreme Council, said that “The attack on Yeonpyeong Island has proven that the Sunshine Policy is the best policy for ensuring peace on the Korean Peninsula.” Chung urged the government to shift its North Korea policy. The DP is affiliated with the late former President Kim Dae-jung who was the architect behind the Sunshine Policy of engaging the North. Despite the bipartisan resolution on North Korea, the main opposition party has consistently been critical of the Lee Myung-bak administration’s relatively hard-line stance toward the North. The ruling opposition Grand National Party (GNP) responded to the DP’s criticisms. Rep. Kim Moo-sung, the GNP floor leader said, “We are not in a quasi-state of war, and we should be united in what steps we will be taking next.” (Kim Ji-asoo, Parties Diverge over N.K. Policy,” Korea Times, November 26, 2010)

Dandong - like other parts of northeastern China along the 870-mile border - aims to profit from China and North Korea’s growing cross-border trade, now close to $3 billion a year. At a time when the United States and its allies are looking to isolate the Pyongyang regime for its nuclear program and erratic behavior, including this week’s artillery attack on a South Korean island, this hardscrabble part of China is finding that being North Korea’s back door to the world can be a lucrative business. China already provides an estimated 90 percent of North Korea’s energy needs and most of its food and weapons. And the most recent gauge of trade between the two countries, from 2008, showed an increase of more than 40 percent from the previous year, according to the Council on Foreign Relations. But even as officials map out grand plans for more cooperation, merchants and small-scale traders say doing business with North Korea remains problematic at best. The government is unpredictable, they say, and rules change without warning. They tell horror stories about Chinese traders who have lost millions of dollars in goods or equipment that is expropriated or stolen outright. Many now insist on cash-up-front transactions and mostly conduct business on the Chinese side of the border, where they say they have more protections. Moreover, while North Korean leaders have visited this part of China and professed admiration for China’s economic boom, local Chinese traders and businessmen in close contact with North
Koreans say they don’t expect the country to shift to a market economy anytime soon. "I haven’t seen any sign the North Korean government wants to open up," said Cui Weitao, 47, who has been trading fruit, clothing, plastic bowls and chopsticks to North Korea for the past decade. "If they really wanted, they could learn from China and Russia. If they wanted, they could let people go back and forth and trade freely. . . . If they opened the border, their whole country would benefit." In a bow to reforms, North Korea sent a dozen mayors and provincial chiefs to northeastern China in October to visit factories and chemical plants. Earlier this month, North Korean Premier Choe Yong Rim visited Harbin, in Heilongjiang province, to discuss joint economic projects. North Korea agreed to lease two Yalu River islands to China to develop into "free trade zones." Chinese high-tech companies were encouraged to signed agreements to hire North Korean computer experts. In September, after Kim’s second visit, China established a new 100,000-square-foot marketplace in Tumen - across from Namyang in North Korea - for North Koreans to come on one-day passes to sell or trade their goods. But the Tumen market in many ways illustrates the difficulties of coaxing North Korea to open up. The vast market is now mostly empty because the North Korean government changed its mind about allowing its citizens to come to China to trade freely, Tumen residents said. His friend, Wang Tiansheng, 47, another small-scale trader, agreed. "The thought of economic reform has been there for years but never happens. Not while the father is alive," he said, referring to the country’s leader, Kim Jong Il. "Maybe when the son takes office." (Keith B. Richberg with Liu Liu, "In Chinese Border Town, trade with North Korea Can Be Lucrative But Problematic," Washington Post, November 26, 2010)

North Korea’s latest act of aggression against the South has prompted a new round of public debate in China on how to manage ties with a neighbor that is at once a close ally but, increasingly, a source of international embarrassment. In comments reported Thursday, Premier Wen Jiabao said China opposes "any provocative military behavior" on the Korean peninsula. Wen was speaking in Russia as the U.S. and South Korea prepare for joint naval exercises in the Yellow Sea in response to the deadly attack. But it wasn’t clear whether his warning referred to North Korea’s attack, or to the South Korean exercises Pyongyang claims to have responded to, or to the planned naval drills between the U.S. and South Korea. Wen called the standoff between Seoul and Pyongyang a “severely complicated situation,” according to a statement posted on the Chinese Foreign Ministry’s website. He called for "all relevant parties to exercise the utmost restraint," and said "the international community should do more work to ease the tension of the situation." Among Chinese foreign-policy circles and general citizens, there are growing signs of exasperation with Pyongyang’s behavior. Some question how Beijing benefits from its old Communist ally’s recent provocations. State media no longer display blind loyalty to the North. "North Korea showed its toughness through the skirmish. But the move neither helps solve its economic plight, nor wins over understanding from other nations," said an editorial in the Global Times, a generally nationalistic English-language newspaper, which criticized all countries with a stake in the Korean peninsula. “The North tried to protect its own security in an inconceivable manner," it said. "The U.S. and Japan tried economic sanctions, which proved futile. China and Russia could only appeal for restraint." A Chinese-language editorial on the newspaper’s website described North Korea’s actions as a "public
humiliation of the surrounding big countries’ painstaking diplomatic efforts. “The apparent frustration reflects the contradiction between China’s staunch support for one of the world’s most secretive and unpredictable regimes, and Beijing’s desire to portray itself as a responsible member of the international community. It also highlights the increasingly diverse range of players trying to influence foreign policy in China— which until recently was the exclusive preserve of the Communist Party’s top leaders. Yesterday, Chinese foreign ministry spokesman Hong Lei offered a relatively mild response to an announcement by the U.S. and South Korea on Wednesday that the aircraft carrier USS George Washington would conduct exercises with the South Korean navy in the Yellow Sea just off the Chinese coast. “We have taken note of the related reports, and express concern on this matter,” he said. When the U.S. and South Korea considered staging a drill with the same carrier in the same area west of the Korean peninsula in July, Chinese officials vehemently protested, and the two countries instead conducted the drill on the east side of the peninsula. Hong also confirmed that Foreign Minister Yang Jiechi has postponed his planned trip to South Korea for “scheduling reasons.” And he again expressed China’s grief over the casualties in the artillery exchange on Tuesday. Asked about China’s view of how the incident started, Mr. Hong said only that the two parties involved “have different stories.” China has been trying for the past two years to revive the so-called six-party talks among North and South Korea, China, the U.S., Japan and Russia, which are designed to persuade Pyongyang to abandon its nuclear weapons program. Yang Xiyu, a former Chinese diplomat who took part in the talks, said the North’s recent actions had “complicated” those efforts. Other Chinese experts went further, warning that North Korean leader Kim Jong Il was now pursuing his own interests without taking China’s into account. “We are being coerced by North Korea,” said one Chinese foreign-policy expert. “This is an alliance from history, and we want to abandon it if they behave in this irresponsible way.” Shen Dingli, an expert on international relations at Shanghai’s Fudan University, said China should push for an international investigation of Tuesday’s artillery exchanges to establish whether the North was the aggressor. “Our alliance is based on mutual defense. We will defend North Korea if it is attacked. But we will not defend it if it attacks someone else,” he said. “This is a great opportunity for China to show it is a responsible member of the international community.” Online, meanwhile, there were plenty of verbal attacks on South Korea and the U.S, but also criticism of North Korea, and of China’s continued support for it. “Kim Jong Il is not significant to China, but China still protects him,” wrote Zhuan Ma Wu Mao in a popular discussion forum for political and social issues on club.kdnet.net. “This gives other Asian countries more reasons to rely on the U.S.” (Jeremy Page and Jason Dean, “Pyongyang Tests China’s Patience,” Wall Street Journal, November 26, 2010)
the scene. By orchestrating the ‘Cheonan’ warship case the U.S. realized almost all what it had planned. It could maintain its military base in Okinawa though it had been pressurized to transfer it from there and massively beef up its forces in the areas around the Korean Peninsula. What is left unfulfilled is the plan to bring the above-said nuclear carrier to the West Sea of Korea. The U.S. instigated the south Korean puppet forces to perpetrate an armed provocation against the territorial waters of the DPRK side from Yonphyong Island and was contemplating bringing its nuclear-powered carrier to the West Sea, availing itself of the incident, though it was compelled to cancel its plan to do so three times after its announcement. Right after the occurrence of the military clash, the U.S. spearheaded the racket for ‘denouncing’ the incident in unison as ‘a unilateral provocation’ even before probing the truth about it. This proves that the U.S. had carefully worked out the scenario for the provocation in advance. The DPRK side warned several times against the enemy’s plan for shelling in the sensitive areas around Yonphyong Island and sent a telephone notice on the morning of the very day the incident occurred as part of its superhuman efforts to prevent the clash to the last moment, but the south side preempted the firing of shells into the territorial waters of the DPRK side. The enemy side, however, has kept silent about all these facts. Moreover, it is now working hard to dramatize ‘civilian casualties’ as part of its propaganda campaign, creating the impression that the defenceless civilians were exposed to ‘indiscriminate shelling’ all of a sudden from the DPRK side. If that is true, it is very regrettable but the enemy should be held responsible for the incident as it took such inhuman action as creating "a human shield" by deploying civilians around artillery positions and inside military facilities before the launch of the provocation. The fact that there were human casualties inside the military base clearly proves itself the ulterior intention of the enemy. The U.S. regarded the death of innocent civilians as a common practice in the past in a bid to serve its military purposes in Iraq, Afghanistan, Pakistan and other parts of the world. This inhuman atrocity of the U.S. repeated itself on the Korean Peninsula this time. While the incident occurred, the shells indiscriminately fired by the enemy dropped in the area close to civilian houses far from the artillery positions of the Korean People's Army. All facts go to patently prove that it was attributable to the U.S. hostile policy towards the DPRK aimed to carry out its Asian strategy for domination that an unstable state of armistice has persisted and the military tension escalated periodically over the last nearly six decades. The U.S. has so far obstructed the solution of any issues related to peace and stability while being keen only to keep the military tension on the Korean Peninsula. Peace and stability can never settle on the peninsula but only instability will increase in the region near Korea and the rest of the world unless the U.S. hostile policy towards the DPRK is brought to an end. The DPRK has so far restrained itself with the maximum patience. But the enemy encroached upon the inviolable territorial waters and land of the DPRK by firing live shells in the most sensitive disputed area despite its repeated warnings. The counter-shelling of the DPRK was a resolute and proper retaliation against the reckless military provocation of the enemy. If the U.S. brings its carrier to the West Sea of Korea at last, no one can predict the ensuing consequences.” (KCNA, “Who Is Wholly to Blame for Armed Clash in West Sea of Korea,” November 27, 2010)
North Korea’s state media said Saturday the two civilian deaths from its artillery strike on the South were “if true... very regrettable” but also charged they had been used as “human shields.” Chosun Sinbo warned that the planned exercise would bring about "a catastrophic situation.” It repeated the argument that any firing that takes place from Yeonpyeong will be considered an attack because shells are “bound to fall in our territorial waters.” A South Korean official said his government is considering re-defining North Korea as its “main enemy” when the defense ministry publishes its next bi-annual defense white paper -- an ideological issue seen as a gauge of anti-North Korea sentiment among South Koreans. (AFP-Yonhap, “N.K. Says Civilian Deaths in Attack If True ‘Regrettable,’” Korea Herald, November 27, 2010) Even a heavily qualified expression of regret is rare for the North, but it squarely blamed South Korea for the tragedy, which "was due to the actions of the enemy, who put civilians in military installations to use as human shields." The comments met with an angry reception in South Korea. “Absolutely no sincerity can be felt,” said a Unification Ministry official. A Defense Ministry official on Sunday said the comments are “attempts to rationalize immoral behavior” and "an intolerable insult to the [South Korean] public and military." An internal document published by the General Association of Korean Residents in Japan, a North Korean mouthpiece, claims the victims "were not residents of Yeonpyeong Island but came from the mainland and were bombed inside the [South Korean] military compound." Still, this is only the ninth time since the 1950-53 Korean War that the North has voiced "regret" for any action, and it has only ever done so when it wanted something very badly. A diplomat said, "There’s a possibility that the North expressed regret due to pressure from China." (Chosun Ilbo, “North Korea’s Comments on Attack Mask Mixed Motives,” November 29, 2010)

For years, as Japan has played musical chairs with its prime minister’s post, China has steadily become the king of the castle in the neighborhood. Now, after the failures of the successive Japanese leaders to devise a clear China strategy, the current government of Naoto Kan finds itself impotent in dealing with the latest crisis in East Asia--North Korea’s shelling of a South Korean island Tuesday. Kan said Thursday at the Lower House Budget Committee that China’s involvement is needed to defuse the conflict between the two Koreas. "We must also have China, which holds strong influence over North Korea, deal with the matter while being aware of the responsibility it has," Kan said. Japan is now in no position to lobby China to rein in North Korea. "The current government has not sufficiently created an international order that involves China," said Lee Jong Won, a professor of international politics at Tokyo’s Rikkyo University. However, the Kan administration is not solely at fault for Japan’s lack of a clear diplomatic vision for dealing with China. Successive governments led by the Liberal Democratic Party before it lost power in the August 2009 Lower House election also failed to establish a clear strategy. From the late 1990s, Japan had made few attempts to broaden its diplomatic outlook beyond simply depending on the security alliance with the United States. Prime Minister Koizumi Junichiro’s diplomatic stance was clear--place all of Japan’s bets on the United States. “The better Japan’s relations with the United States become, the better will be Japan’s relations with China, South Korea and other Asian nations,” Koizumi once said. (Sakajiri Kengo and Komurata Yoshiyuki, “Long Lack of China Strategy Puts Japan in a Bind,” Asahi Shimbun, November 27, 2010)
South Korea and the United States began joint naval exercises that will include live fire and bombing drills as hermetic North Korea deployed missiles close to the Yellow Sea and warned that it will turn the region into "a merciless shower of fire" if its territory is violated. South Korean officials said the exercises, called in response to the North’s deadly artillery barrage last week of civilian-inhabited Yeonpyeong island, began when the USS George Washington aircraft carrier strike group entered the exercise zone, along with South Korean warships. **Officials said the live firing would begin later in the day.**

Tensions were high Sunday morning as the sound of North Korean artillery briefly led to an emergency evacuation for the remaining two dozen or so civilian residents on Yeonpyeong, though no shells landed on the island. The order came at 11:18 a.m. local time, according to Korea’s Yonhap News Agency, quoting an official from South Korea's Joint Chiefs of Staff, and was lifted just before noon. Yonhap quoted South Korean military sources saying North Korea had deployed Soviet-made SA-2 surface-to-air missiles to its West Coast near the Yellow Sea, and placed longer-range surface missiles on launch pads on the Northwest Coast near the front line. Yonhap said the North had also deployed anti-ship Silkworm and Samlet missiles. South Korean military officials said the deployments appeared aimed at any American or South Korean aircraft that might cross the "Northern Limit Line," or the Yellow Sea maritime border dividing the two Koreas. But China seemed engaged in a flurry of weekend diplomacy aimed at reducing tensions. Two high-level Chinese officials, State Councilor Dai Bingguo, who is the equivalent of the Chinese president's national security adviser, and Wu Dawei, the chief nuclear negotiator, were in Seoul on Sunday for unscheduled talks with top officials, including South Korean President Lee Myung-bak. After more than two hours of talks, South Korea's YTN television reported that Lee emphasized the importance of China’s role in trying to rein in North Korea and called for China to be firm on the Yeonpyeong attack. Also, Choe Tae-bok, the chairman of North Korea's Supreme People’s Assembly, or parliament, planned to visit Beijing on November 30, according to China’s state-run Xinhua news agency. Choe, 79, was promoted in the ruling party ranks this year and is thought to be a key aide to Kim's son and heir apparent, Kim Jong Eun, who is in his late 20s. (Kenneth B. Richburg, “U.S., S. Korea Appear to Move forward with Exercises,” Washington Post, November 28, 2010, p. A-10) North Korea blamed the South for provoking the attack by holding artillery drills near the Koreas' maritime border, and has threatened to be “merciless" if the current war games - set to last until December 1 - get too close to its territory. The exercises will take place over four days, but no live-fire drills are planned, said Cmdr. Jeff Davis, spokesman for the 7th Fleet in Japan. (David Guttenfelder and Jean H. Lee, “U.S., S. Korea Launch War Games in Tense Yellow Sea,” Associated Press, November 28, 2010) President Lee Myung-bak recalled that he warned North Korea via China following the North’s shelling of Yeonpyeong Island in November of 2010 that Seoul will not tolerate any further provocations. "I conveyed my decision to China after North Korea's provocation against Yeonpyeong Island that Seoul will retaliate not just targeting the source of the attack but supporting bases behind too, by mobilizing the Army, Navy and Air Force," Lee told Chosun Ilbo. "I told China to convey this message to North Korea, and State Councilor Dai Bingguo went to Pyongyang to tell the North and informed me personally that the message had been conveyed." Lee said he took those steps because North Korea's provocations are based on the regime's belief that South Korea and the U.S. will never retaliate. The outgoing president said he
also urged the Air Force to strike the North after the shelling of Yeonpyeong Island, but a high-ranking military officer stopped him by saying such a move must be discussed with the U.S. and that an aerial attack had to be avoided according to the rules of engagement. “After that, I revised the rules of engagement so that frontline commanders can first take aggressive action in response and then report it up the chain of command,” Lee said. (Chosun Ilbo, “Lee Recalls Getting Tough with N. Korea,” February 5, 2013)

China quickened its diplomatic efforts to ease tensions between North and South Korea, calling for an emergency meeting of envoys to North Korean nuclear disarmament talks. Chinese envoy Wu Dawei said chief negotiators to the six-nation talks are being asked to come to Beijing in early December for the emergency session to exchange views on major issues of concern to the parties at present. “I want to stress that a series of complicated factors have recently emerged on the Korean peninsula,” Wu said in a statement he read to reporters in Beijing. “The international community, particularly the members of the six-party talks, is deeply concerned.” Wu did not specify a date in early December for when the six nations would meet. He said they need “to exchange views on these major issues and make due contribution to maintaining peace and stability on the peninsula and easing the tension in Northeast Asia.” Wu said China hoped the meeting would also help relaunch nuclear disarmament negotiations. (Gillian Wong, “China Calls for Urgent Talks on North Korea,” Associated Press, November 28, 2010) “The area where the exercise will take place is not near the NLL, but the forces can concentrate on drilling their capacity for air warfare and air defense as well as warfare at sea,” said a military official. “It will be a stronger drill than the one in the East Sea in July, which also featured the USS George Washington.” US nuclear submarines will not participate, but South Korean submarines will reportedly play the role of enemy subs in anti-sub drills. As the drill is taking place far from the NLL, the Marines on Baengnyeong Island, Yeonpyeong Island and the other Five West Sea Islands will not participate. The Marine artillery drills on Yeonpyeong Island will restart during the middle of next month, after the damage from Tuesday’s attack has been repaired. On Sunday, the first day of the joint South Korea-U.S. drill, the Marines will participate in regiment-level landing drills at Mallipo, South Chungcheong Province as part of the Hoguk Exercise, a primarily South Korean drill that involves U.S. participation. Meanwhile, in response to Seoul’s and Washington’s explanations that the drill is defensive, Kim Jong-dae, the editor-in-chief of the military analysis magazine Defense Focus, said, “The term ‘defensive drill’ is political language, and no drill is purely defensive.” Kim added, “Ultimately, the drill will include offensive exercises such as counterattacks and repulsing enemy attacks.” (Kwon Hyuk-chul, “Joint Drills Will Be Far from NLL, Military Reports,” Hankyore, November 28, 2010) Wu Dawei as said, “I want to stress that, although the proposed consultations do not mean the resumption of six-party talks, we do hope they will help create conditions for the relaunch of six-party talks.” (NPR “Morning Edition,” November 29, 2010)

State Department spokesman Philip Crowley said on Twitter that Secretary of State Hillary Clinton “talked with Chinese State Councilor Dai Bingguo about North Korea. She urged strong statements that the DPRK cannot misinterpret South Korea.” On the Chinese proposal to convene early next month a meeting of chief nuclear envoys to
the nuclear talks, Crowley said Washington "will continue to consult with others, including China, on a future course," according to the AFP. The spokesman also urged North Korea to "cease its provocative behavior," adding, "That is a critical first step." Adm. Mike Mullen, chairman of the U.S. Joint Chiefs of Staff, appearing on CNN's "Fareed Zakaria," said, "I am one who believes we shouldn't be rewarding bad behavior here." Mullen said North Korean leader Kim Jong-il wants to get international attention through the recent series of provocations. "I believe his main focus is to continue to develop nuclear weapons, to continue to get the world's attention and to continue to try to move himself up to a level that is regarded as a sort of a world player," he said. He urged China to pressure North Korea harder to deter the reclusive communist regime from escalating tensions and seeking nuclear weapons programs. "It's hard to know why China doesn't push harder," he said. Sen. John McCain (R-AZ) told CNN's "State of the Union," "China is not behaving as a responsible world power." "It cannot be in China's long-term interest to see a renewed conflict on the Korean Peninsula." McCain called for a regime change in the North, not through military action but through dialogue. "I think it's time we talked about regime change in North Korea, and I do not mean military action, but I do believe that this is a very unstable regime," he said. "We can have a peaceful resolution to this issue. But the North Korean regime is not one that's going to abandon the nuclear power status." (Hwang Doo-hyung, "U.S. Urges N. Korea to Stop provocations prior to 6-Way Talks Reopening," Yonhap, November 29, 2010)

South Korean President Lee Myung-bak told a visiting senior Chinese official that Seoul was not interested in the early resumption of the six-party talks as it is more urgent to deal with Pyongyang's belligerence. Seoul's foreign ministry also effectively rejected Beijing's proposal, saying that China's offer to resume six-party talks on North Korea "should be studied very carefully" and creating the right atmosphere for reopening the negotiations is a priority. "Our government will take note of China's proposal," South Korea's foreign ministry said in a statement. "But holding a six-party chief delegates' meeting should be studied very carefully considering" North Korea's series of provocations, it said. China's State Councilor Dai Bingguo, who paid a courtesy call to President Lee, pledged to "work to prevent a worsening of the situation," according to Lee's spokesman. Beijing's top nuclear envoy Wu Dawei also said in Seoul that members of the six-party talks -- the two Koreas, the U.S., China, Japan and Russia -- were "deeply concerned" about recent developments on the Korean Peninsula, noting that the proposal didn't mean a formal resumption of the six-party talks. South Korea's defense ministry ordered about 400 domestic and foreign journalists to leave Yeonpyeong by the end of Sunday, citing concerns of possible "provocative action" by the North. Officials at the South's Joint Chiefs (JCS) said they detected signs that North Korea may fire unguided rockets from its 122mm multiple launch rocket systems. The North also deployed surface-to-air SA-2 missiles near the tense Yellow Sea border, officials said. The U.S. has also brought in the E-8C Joint Surveillance Target Attack Radar System, called Joint STARS, to closely monitor the North's military activities, a military source here said. (Kim Deok-hyun, "S. Korea-U.S. drills Begin in Yellow Sea as China's Talks Proposal Gets Cold Shoulder," Yonhap, November 28, 2010) South Korean political parties were sharply divided over China's proposal on Sunday to hold urgent talks among the six nations involved in a North Korea denuclearization forum.
“It (the Chinese proposal) can’t be a solution to the situation after a provocation has taken place. It’s disappointing,” Rep. Bae Eun-hee, a GNP spokesperson, said. Bae said any dialogue in the six-way forum will be "meaningless" without an apology and responsible actions by North Korea for its artillery attack on Yeonpyeong Island on Tuesday. "It’s profoundly disappointing that China appears to be failing to understand the sense of seriousness and urgency that the South Korean people are feeling toward this incident," said Rep. Gu Sang-chan of the GNP, who is well-versed in Chinese affairs. "I think China, as one of the two superpowers along with the United States, is neglecting its responsibility for the international community." Meanwhile, the main opposition Democratic Party (DP) threw its support behind the Chinese proposal, urging Seoul to use the diplomatic forum to resolve military tensions. "This situation makes dialogue all the more necessary," Rep. Park Jie-won, the DP’s floor leader, said. "It's desirable to hold dialogue and resolve the problems as they would arise in the six-party forum." Rep. Song Min-soon, who served as the foreign minister under the previous Roh Moo-hyun administration, called on Seoul to use the six-way talks as a diplomatic stage to draw support for denouncing North Korea. "China appears to be trying to use the six-party talks as a way of loosening the confrontational mood on the Korean Peninsula. There's also a need for us to use the six-party representatives' talks to grill the North and let the involved countries denounce the North." (Yonhap, “S. Korea’s Rival Parties React Differently to China’s Six-Party Talks Proposal,” November 28, 2010)

President Lee Myung-bak called on China, the decades-long benefactor of North Korea, to play a responsible role in cementing peace on the Korean Peninsula after a Korea-U.S. joint naval exercise began. The Chinese official visited Seoul as Chinese Prime Minister Wen Jiabao’s special envoy. During the two-hour talks, President Lee was quoted as saying that a major shift in security on the peninsula came after the North’s attack that took the lives of two marines and two civilians. “Despite incessant provocations by the North over the past decades since the Korean War (1950-53), South Korea has been patient. (As our patience has run out), we, the South, will react sternly to the North if it commits another provocation,” Lee said. In a move to ease tensions, Chinese Foreign Minister Yang Jiechi had a phone conversation with U.S. Secretary of State Hillary Clinton Friday. Yang also talked with his South Korean counterpart Kim Sung-hwan over the phone. After arriving in Seoul yesterday, Dai held closed-door talks with Minister of Foreign Affairs and Trade Kim Sung-hwan for one and a half hours over dinner. During the conversation, the Chinese official reiterated China’s position on the stability of the Korean Peninsula, according to a diplomatic source. He said on condition of anonymity that China was feeling pressure as tensions showed no sign of relenting on the Peninsula after the latest attack. (Kang Hyun-kyung, “Lee Urges China to Halt N.K. Provocation” Korea Times, November 28, 2010)

Rodong Sinmun signed commentary: “The recent provocation by the south Korean warmongers is part of their vicious scheme to defend the brigandish “northern limit line” by persistently letting their warships into the territorial waters of the DPRK side under the pretext of “intercepting fishing boats.”...The south Korean authorities are now busy issuing the alert order to the entire puppet forces and examining the declaration of “posture for combined control over crisis” with the U.S. like a thief crying
“Stop the thief!” This is intended to shirk off their responsibility for the serious military provocation and justify their scheme for confrontation with the DPRK and moves to ignite a war against it. There only exists in the West Sea of Korea the extension of the military demarcation line fixed by the DPRK. The ‘northern limit line’ adhered to by the south Korean authorities is an illegal ghost line aimed at escalating the anti-DPRK moves and provoking a war against it. Such moves for confrontation and war with the DPRK made by the puppet war maniacs under the pretext of ‘defending northern limit line’ will bring nothing but shameful self-destruction to them. The DPRK will deal a merciless military counter-attack at any provocative act of intruding into its territorial waters in the future, too.” (KCNA, “Merciless Counteraction against Any Provocation Warned,” November 28, 2010)

The re-election of Okinawa Gov. Hirokazu Nakaima is a much-needed victory for Prime Minister Naoto Kan’s government, which clearly wanted him to win, and the United States, who saw his opponent as a threat to the entire U.S. military presence in the prefecture. With a decade-long central government economic assistance program for Okinawa expiring in 2012, attention is shifting to how Tokyo will deal with Nakaima on extending that assistance in exchange for authorizing construction of a new U.S. base on the Henoko coast of Nago as a replacement site for U.S. Marine Corps Air Station Futenma, which is farther south on Okinawa Island in the city of Ginowan. The final results showed Nakaima winning 335,708 votes to challenger Yoichi Iha’s 297,082. But any joy Tokyo and Washington experience over Nakaima’s win over Iha – one of the prefecture’s leading antibase politicians and an opponent of Japan’s security treaty with the U.S. – will be short-lived. As Nakaima made clear following his victory Sunday evening, carrying out the May agreement to relocate Futenma to Henoko will be extremely difficult. “Originally, I’d thought it would be inevitable to accept the Henoko plan with certain conditions. But the people of Nago clearly said no to the plan when they voted for an antibase mayor. Therefore, there is no place in Okinawa to move Futenma,” Nakaima said after his win Sunday night. The mayor of Nago, as well as the majority of its assembly and that of the prefecture, oppose the plan. And Nakaima himself campaigned by saying he wanted Futenma out of Okinawa. (Eric Johnston, “Nakaima Victory Helps Kan, U.S.,” Japan Times, November 29, 2010)

The United States, South Korea and Japan are all balking at China’s request for emergency talks with North Korea over the crisis on the Korean Peninsula, as high-profile military exercises between South Korea and the United States in the Yellow Sea continued on Monday in a show of force. Obama administration officials said that a return to the table with North Korea, as China sought this weekend, would be rewarding the North for provocative behavior over the past week, including its deadly artillery attack on a South Korean island and its disclosure of a uranium enrichment plant. Beijing called for emergency talks with North Korea, the United States, Japan, South Korea and Russia, participants in the six-party nuclear talks, which have been suspended indefinitely. “The United States and a host of others, I don’t think, are not interested in stabilizing the region through a series of P.R. activities,” said Robert Gibbs, the White House spokesman. He said that the talks “without an understanding and agreement from the North Koreans to both end their behavior as they exhibited last week, but also to come to the table with a seriousness of purpose on the
The denuclearization issue – without that seriousness of purpose, they’re just a P.R. activity.” Rejecting the emergency talks amounts to a pointed rebuke to China. The United States wanted China to signal clearly that North Korea’s aggressive behavior would not be tolerated. Instead, Beijing remained neutral about who was responsible for the recent flare-up, and offered only to provide a venue for all sides to air their differences. Yet turning down China’s offer may also reveal the limited options available to the Obama administration and the South Korean leadership. Aside from a show of military solidarity, the two countries have based their response largely on hopes that China, as the North’s main economic and diplomatic supporter, might punish the reclusive government for its series of provocations. South Korea and Japan are also clearly skeptical of whether the consultations, as suggested by the Chinese, are worth a try. President Lee Myung-bak of South Korea and Prime Minister Naoto Kan of Japan on Monday both denounced what they called North Korea’s brutality. President Lee pointedly said nothing about the Chinese proposal; analysts in Seoul described it as disappointingly familiar. A spokesman for the Japanese prime minister said that while Japan is cautiously reviewing China’s offer, talks hinge on whether North Korea changes its behavior. It remains unclear just what the United States would actually accept from North Korea to return to talks. One Obama administration official said that the United States wanted a clear sign that the North “will stop provocative behavior.” “We’re trying to get out of this cycle where they act up and we talk,” the official said. South Korea naval authorities on Yeonpyeong warned residents by loudspeaker on Monday afternoon that they should move to bomb shelters by 9:30 a.m. Tuesday morning because live-fire drills would take place at 10 a.m. But Monday night, they announced that no firing would take place. A South Korean military official declined to explain the shift, saying only that the exercise “will be conducted at an appropriate time.” At the United Nations, the Obama administration called for tighter enforcement of sanctions against North Korea. The Security Council met on Monday to discuss the crisis, but did not emerge with any new plans for what to do next, further reflecting the mounting frustration in the international community over how to rein in North Korea. Diplomats said that at the moment, the most they could do was to try to make sure countries enforce existing sanctions against North Korea, including an arms embargo and a travel ban against people linked to the country’s nuclear weapons program. Susan E. Rice, the United States ambassador to the United Nations, told reporters that the United States looked “to China to play a responsible leadership role in working to maintain peace and security in that region.” White House officials said last week that Mr. Obama planned to call President Hu Jintao of China to discuss the crisis in the Korean Peninsula. Gibbs said this afternoon that the call had not happened yet. (Helene Cooper and Sharon LaFraniere, “U.S. and South Korea Balk at Talks with North,” New York Times, November 30, 2010)

Secret American intelligence assessments have concluded that Iran has obtained a cache of advanced missiles, based on a Russian design, that are much more powerful than anything Washington has publicly conceded that Tehran has in its arsenal, diplomatic cables show. Iran obtained 19 of the missiles from North Korea, according to a cable dated February 24 of this year. The cable is a detailed, highly classified account of a meeting between top Russian officials and an American delegation led by Vann H. Van Diepen, an official with the State Department’s nonproliferation division.
who, as a national intelligence officer several years ago, played a crucial role in the 2007 assessment of Iran’s nuclear capacity. The missiles could for the first time give Iran the capacity to strike at capitals in Western Europe or easily reach Moscow, and American officials warned that their advanced propulsion could speed Iran’s development of intercontinental ballistic missiles. There has been scattered but persistent speculation on the topic since 2006, when fragmentary reports surfaced that North Korea might have sold Iran missiles based on a Russian design called the R-27, once used aboard Soviet submarines to carry nuclear warheads. In the unclassified world, many arms control experts concluded that isolated components made their way to Iran, but there has been little support for the idea that complete missiles, with their huge thrusters, had been secretly shipped. The February 24 cable, which is among those obtained by WikiLeaks and made available to a number of news organizations, makes it clear that American intelligence agencies believe that the complete shipment indeed took place, and that Iran is taking pains to master the technology in an attempt to build a new generation of missiles. The missile intelligence also suggests far deeper military – and perhaps nuclear – cooperation between North Korea and Iran than was previously known. At the request of the Obama administration, The New York Times has agreed not to publish the text of the cable. The North Korean version of the advanced missile, known as the BM-25, could carry a nuclear warhead. Many experts say that Iran remains some distance from obtaining a nuclear warhead, especially one small enough to fit atop a missile, though they believe that it has worked hard to do so. Still, the BM-25 would be a significant step up for Iran. Today, the maximum range of Iran’s known ballistic missiles is roughly 1,200 miles, according to experts. That means they could reach targets throughout the Middle East, including Israel, as well as all of Turkey and parts of Eastern Europe. The range of the Russian R-27, launched from a submarine, was said to be up to 1,500 miles. Rocket scientists say the BM-25 is longer and heavier, and carries more fuel, giving it a range of up to 2,000 miles. If fired from Iran, that range, in theory, would let its warheads reach targets as far away as Western Europe, including Berlin. If fired northwestward, the warheads could easily reach Moscow. The fuel for the advanced engines goes by the tongue-twisting name of unsymmetrical dimethylhydrazine, according to the secret cables. It is a highly toxic, volatile clear liquid with a sharp, fishy smell. International concern about advances in Iran’s missile program increased last year, after Tehran sent its first satellite into space. Experts said it was clear that the second stage of the rocket, known as the Safir, had employed a new, more powerful class of engines that took advantage of some elements of the Russian technology. American government experts say the engines of the Russian R-27 represent an improvement of roughly 40 percent in lifting force over the kerosene-fired engines that power most Iranian missiles. “Without this higher-energy output, the Safir would have failed in its mission to orbit a small satellite,” said a report issued in May by the International Institute for Strategic Studies, an arms analysis group in London. The cables say that Iran not only obtained the BM-25, but also saw the advanced technology as a way to learn how to design and build a new class of more powerful engines. “Iran wanted engines capable of using more-energetic fuels,” the February 24 cable said, “and buying a batch of BM-25 missiles gives Iran a set it can work on for reverse engineering." The cable added that Tehran could use the BM-25 technologies as “building blocks" for the production of long-range missiles. But it offered no information to back up that assessment. (William J. Broad, James Glanz,
and David E. Sanger, “Iran Fortifies Its Arsenal with the Aid of North Korean Missile,” *New York Times*, November 29, 2010, p. A-1) In talks with the United States, the Russians insisted that there would be no cooperation on other issues until the Eastern Europe site was scrapped. Those demands crested on July 29, when a senior Russian official repeatedly disrupted a meeting with Russia’s objections, according to one cable. Six weeks later, Obama gave the Russians what they wanted: he abruptly replaced the Eastern Europe site with a ship-borne system. That system, at least in its present form, is engineered to protect specific areas against short- and medium-range missiles, not pulverize long-range missiles soaring above the atmosphere. Obama explained the shift by saying that intelligence assessments had changed, and that the long-range missile threat appeared to be growing more slowly than previously thought. The cables are silent on whether at some higher level, Russia hinted that Security Council action against Iran would be easier with the site gone. But another secret meeting with the Russians last December, recounted in the cables, may help explain why Mr. Obama was willing to shift focus to the short- and medium-range threat, at least in the near term. In the meeting, American officials said nothing about a slowing of the long-range threat, as cited by Mr. Obama. In fact, they insisted that North Korea had sent Iran 19 advanced missiles, based on a Russian design, that could clear a path toward the development of long-range missiles. According to unclassified estimates of their range, though, they would also immediately allow Iran to strike Western Europe or easily reach Moscow – essentially the threat the revamped system was designed for. Russia is deeply skeptical that Iran has obtained the advanced missiles, or that their North Korean version, called the BM-25, even exists. “For Russia, the BM-25 is a mysterious missile,” a Russian official said. (That argument was dealt a blow last month, when North Korea rolled out what some experts identified as those very missiles in a military parade.) Whatever the dynamic, Mr. Obama had removed the burr under the Russians’ saddle, and in January 2010, one cable reported, a senior Russian official “indicated Russia’s willingness to move to the pressure track.” (David E. Sanger, James Glanz, and Jo Becker, “Around the World, Distress over Iran,” *New York Times*, November 29, 2010, p. A-1)

Leaked U.S. diplomatic cables put China’s relationship with Iran under renewed scrutiny by suggesting Beijing hadn’t complied with U.S. requests to stop transfers to Tehran of technology and materials that could be used in its ballistic-missile and chemical-weapons programs. China repeatedly failed to act on U.S. requests for it to stop shipments of ballistic-missile components from North Korea to Iran on commercial flights via the Beijing airport in 2007, according to one of more than a quarter-million U.S. diplomatic cables made public Sunday. The most serious allegation in the cables is that China repeatedly turned a blind eye to shipments of missile components through Beijing on commercial flights operated by Air Iran, the Iranian national carrier, and Air Koryo, the North Korean one. A cable dated November 3, 2007, and signed by then-Secretary of State Condoleezza Rice said that a cargo of jet vanes—designed to stabilize missiles in flight—was set to be shipped from North Korea to Iran via Beijing on an Air Iran flight. The cable said the State Department sought “immediate action,” and instructed the U.S. ambassador in Beijing to raise the issue “at the earliest opportunity” and “at the highest level possible” to persuade the Chinese authorities to halt the delivery. It’s unclear whether China complied, but the cable
complained that at least 10 similar deliveries had been allowed to proceed despite U.S. requests for them to be halted. China pledged in 2000 not to help any country develop ballistic missiles that can be used to deliver nuclear weapons. China also introduced stricter export controls in 2002 and has applied to join the 34-country Missile Technology Control Regime. China also backed U.N. sanctions which imposed a broader arms embargo on Iran in June. But an analysis of the Iranian missile threat last month by Arms Control Today, which is published by the independent Arms Control Association in Washington, suggested U.S. pressure on Beijing has produced only mixed results. "This shows either China's inability to enforce its own export laws, or a kind of malign negligence," said Peter Crail, a research analyst at the ACA who covers North Korea. "There's a pattern of frustration on the part of the U.S. government." He said one factor could be China's continuing support for the North Korean regime, which earns much of its hard currency from exports of missile technology, often sold through front companies based in China. (Jeremy Page, "Leaked U.S. Cables Expose Tensions with China," Wall Street Journal, November 29, 2010)

Excerpt from Cable sent July 31, 2009 on “Reporting and Collection Needs - United Nations": “S) North Korea (FPOL-1).--Plans and intentions of UNSC members, especially the P-5, to consider additional resolutions against North Korea and/or sanctions under existing resolutions.
-- Information on the plans and actions of UNSC members to address efforts by North Korea to develop, test, or proliferate nuclear weapons.
-- UN views on food aid to North Korea, designating it as a nation in famine, and misuse of aid.
-- North Korean delegation views and activities; instructions/plans of delegation officials on North Korean WMD-related issues.
-- Development and democratization activities of the UNDP in North Korea.
-- Details about the UNDP Resident Coordinator’s relationship with North Korean officials.
-- Biographic and biometric information on ranking North Korean diplomats.”

Six days after a North Korean artillery bombardment killed four people and heightened fears of an all-out conflict, South Korean President Lee Myung-bak took responsibility for failing to protect the country and said the South would now abandon its long-standing policy of not responding militarily to the North’s hostile acts. "In the past, North Korea has provoked us on many occasions, but this is the first time they have made a direct attack on South Korean soil," said Lee, making his first public remarks since the crisis began last week with the attack on civilian-inhabited Yeonpyeong island. "Launching a military attack on civilians is a crime against humanity, even during wartime." Speaking at the Blue House, Lee outlined a series of past provocations from the North stretching back two decades, including the attempted assassination of the South Korean president in Rangoon, Burma, in 1983, the bombing of a South Korean airliner in 1987, and the sinking of a South Korean warship, the Cheonan, in March. "Despite all of these provocations," Lee said, "we tolerated them in the belief that one day North Korea will change, and because of our hope for peace on the Korean Peninsula." He said South Korea has continued to
engage in talks with Pyongyang and has given humanitarian assistance to the economically troubled country, but North Korea continued its pursuit of nuclear weapons and continued its attacks. Now, Lee said, "South Koreans realize that tolerance and generosity bring more provocation." He said that South Korea would strengthen its military capability and would "make North Korea pay the due price by all means for its provocation from now on." While Lee did not specify what form any future retaliation would take, his statement seemed to reflect a shift from the South’s past policy of tolerance. "I think it’s a turning point for South Korean government policy dealing with North Korea," Baek Seung-joo, a researcher at the Korea Institute for Defense Analysis, said after the speech. "With the nation’s support, Lee will make sure any further provocation is met with military action." (Keith B. Richburg, “S. Korea to Toughen Policy toward the North,” Washington Post, November 29, 2010, p. A-1) Lee Myung-bak: “Today, I am standing here keenly aware that I am responsible for not having been able to protect the lives and property of the people. I understand very well that you were greatly disappointed with how we responded to the shelling of Yeonpyeong Island by North Korea. … North Korea's provocation this time was entirely different and unprecedented in nature. Since the end of the Korean War, the North has perpetrated numerous provocations, but it has never launched a direct attack onto our territory before. Making matters worse, it indiscriminately shelled the island where some 1,400 residents are peacefully living. A military attack against civilians is strictly prohibited even in time of war; it is a crime against humanity. … We have thus far tolerated provocations by the North time and again. On January 21, 1968, North Korean commandos infiltrated into Seoul with the intent of killing the President. A bomb explosion in Rangoon, Burma, set off by North Korean agents, killed many high-ranking South Korean Government officials who were accompanying the President. The North has already tried and failed twice to kill the South Korean head of state. North Korean agents blew up a civilian airplane in 1987, taking the lives of 115 passengers. South Korea nonetheless endured these continual provocations because we entertained a slight hope that the North would change course someday and an unwavering commitment to peace on the Korean Peninsula. Over the past 20 years, therefore, South Korea has striven to resolve the North Korean nuclear issue through dialogue and collaboration while at the same time providing unstinted humanitarian assistance. North Korea, on the other hand, responded with a series of provocative acts, including the development of a nuclear program, the sinking of the Navy corvette Cheonan by an explosion and the shelling of Yeonpyeong Island. At long last, we came to a realization that it no longer makes sense for us to anticipate that the North would abandon its nuclear program or its policy of brinkmanship on its own. The South Korean people now unequivocally understand that prolonged endurance and tolerance will spawn nothing but more serious provocations. …The Government will establish Armed Forces that live up to their name. We will defend the five West Sea Islands near the northern sea border with a watertight stance against any kind of provocation. We will proactively carry out the defense reform as planned in order to make our Armed Forces even stronger.” (Text of President Lee Myung-bak Address to the Nation, November 29, 2010) Outgoing Defense Minister Kim Tae-young said that fighter jets and warships of South Korean and U.S. forces will immediately strike North Korean targets should the North
launch an attack on the South’s soil again. “Once the rules of engagement are revised, the Navy and Air Force will be allowed to conduct strikes (on North Korean targets),” Kim said at the National Assembly’s Budget and Account Committee meeting. (Jung Sung-ki, “Soutj Vows Naval, Air Sreikes on N.K.,” Korea Times, November 29, 2010)

A flotilla of South Korean and U.S. warships fired artillery and their aircraft intercepted mock enemy planes in the Yellow Sea on the second day of what military officials labelled “high-intensity” joint naval drills aimed at deterring North Korean provocations. After being criticized for being too feeble in response to the North’s artillery strike, South Korea’s armed forces began to beef up military strength on the five islands near the Yellow Sea border, including Yeonpyeong. Earlier in the day, the military doubled its K-9 howitzers and deployed multiple rocket launch systems on the shell-shocked island that has been designated as a “control zone,” allowing the military to easily evacuate the remaining residents and journalists on the island. Today’s drills, which are taking place far south of the tense maritime border with the North, include anti-submarine, live-fire drills, aerial bombing and maritime defensive and offensive warfare drills, the JCS official said. “Being that these operations are in the international waters west of the Korean Peninsula certainly demonstrates the resolve that we have to mutual deterrence of the Republic of Korea,” U.S. Rear Adm. Dan Cloyd, commander of the George Washington carrier strike group, told reporters aboard on the aircraft carrier, according to a pool report. “But it is also to improve the substantiality, interoperability and readiness of both of the Republic of Korea and U.S. forces and our collective commitment of security and stability here in the Asia-Pacific region,” Cloyd said. (Kim Deok-hyun, “S. Korea, U.S. Stage ‘High Intensity’ Naval Drills in Yellow Sea,” Yonhap, November 29, 2010)
TRANSSHIPMENT VIA BEIJING OF KEY BALLISTIC MISSILE PARTS FROM NORTH KOREA TO IRAN’S MISSILE PROGRAM. PRESIDENT BUSH PLEDGED TO RESPOND TO PRESIDENT HU’S REQUESTS FOR FURTHER INFORMATION. EMBASSY SHOULD ON NOVEMBER 3 AT THE MOST EFFECTIVE LEVEL POSSIBLE, DELIVER THE NON-PAPER IN PARA 8 WHICH RELATES TO SPECIFIC, TIME-SENSITIVE INFORMATION ABOUT AN IMMINENT TRANSSHIPMENT. IN ADDITION, AT THE EARLIEST OPPORTUNITY POST SHOULD DELIVER THE NON-PAPER IN PARA 9 TO MFA AT THE HIGHEST LEVEL POSSIBLE, PREFERABLY BY THE AMBASSADOR SINCE THIS IS IN RESPONSE TO PRESIDENTIAL-LEVEL DISCUSSIONS.

OBJECTIVES

2. (S/REL CHINA) Post should:

-- (This point for November 3 Delivery) Request China to stop an imminent shipment to Iran’s ballistic missile program. This is the same cargo that the Ambassador shared about on October 25 (ref E). It is now scheduled to leave Beijing airport on November 4.

-- (This point for November 3 Delivery) Note the importance of this demarche since it relates to a topic discussed by Presidents Bush and Hu in Sydney. Embassy should further note that the Embassy will be seeking an appointment at the highest level possible to convey a more extensive presentation on this topic of ballistic missile parts from North Korea to Iran.

-- Remind Chinese officials that President Bush has been personally engaged on the issue of the transshipment of ballistic missile parts between North Korea and Iran via Beijing and that he raised this issue with President Hu at the APEC Summit.

-- Seek information on the steps China has taken since the APEC discussion to address this issue and impress on them the necessity for China to take immediate strong action.

-- Stress that the credibility of UN Security Council actions must be maintained by vigorous implementation by UN Member States of UNSC resolutions calling for Chapter VII sanctions, particularly 1718, 1737, and 1747.

-- Indicate that the U.S. believes that the proliferation of missile technology between North Korea and Iran will increase and that these two countries will attempt to conduct these transfers through Chinese territory.

-- Emphasize the need to inspect cargo and personal goods on regularly scheduled flights transiting Beijing from North Korea to Iran in order to detect and deter these shipments.
--Explain to Chinese officials that the U.S. carefully reviews the intelligence material that we have on shipments before we share it, and we ask that Chinese authorities respect this and act on our information accordingly and appropriately.

--Indicate that the United States believes that we can work together cooperatively and effectively on these issues.

--Express our willingness to continue to share as much information as possible to assist China's efforts to uphold these UN Security Council resolutions.

Background: Ballistic Missile Parts Shipped via Beijing Between North Korea and Iran.

3. (S/Rel China) Iran and North Korea have continued their longstanding cooperation on ballistic missile technology, via air shipments of ballistic-missile related items. We assess that some of these shipments consist of ballistic missile jet vanes that frequently transit Beijing on regularly scheduled flights on Air Koryo and Iran Air. We believe that the Shahid Bagheri Industrial Group (SBIG) is the probable end user for these parts. SBIG is listed in the annex to UNSCR 1737 and these jet vanes are controlled under Item 10.A.2 of the Missile Technology Control Regime and Item 6 of China's missile-related export control regulations. Moreover, UNSCRs 1718 and 1737 prohibit the transfer to or from North Korea or Iran, respectively, of jet vanes and any other item listed in UNSC document S/2006/815. These shipments therefore represent violations of UNSCRs 1718 and 1737.

4. (S/Rel China) The U.S. has raised this issue with China at the highest levels several times in the last few months. In May 2007, the United States informed China of imminent shipments on three separate occasions (Refs A, B and C). Though Chinese officials informed Embassy Beijing that China's investigations have found no evidence of these transfers, it appears that these shipments did occur and are continuing to transit via Beijing. In addition this issue was raised by ISN PDAS Patricia McNerney during bilateral nonproliferation talks in August 2007 (Ref D). The Deputy Secretary also raised this issue with Executive Vice Foreign Minister (EVFM) Dai Bingguo via during a telephone conversation in August. Finally, in September 2007, President Bush discussed this issue with Chinese President Hu at the APEC summit in Sydney. The two leaders agreed that the USG would provide the PRC with further information on these transfers.

5. (S/Rel China) On October 25 the U.S. provided PRC officials with detailed information, including the airway bill and flight number, of another imminent shipment of military related goods from North Korea to Iran via Beijing. This shipment was also assessed as destined for Iran’s solid propellant missile development organization, the Shahid Bagheri Industries Group (SBIG). We now have information that the goods will be shipped on November 4 and insist on a substantive response from China to this information.

6. (S/Rel China) Our information indicates that at least 10 air shipments of jet vanes have transited Beijing thus far and that these shipments will not only continue but will
also grow in volume. We have encouraged the Chinese to undertake frequent inspections of cargo on Air Koryo or Iran Air flights transiting Beijing from North Korea to both deter and detect these shipments.

7. (S/Rel China) The Department is seeking both immediate action on this new information and a strategic approach with regards to this critical issue. We assess that the best way to prevent these shipments in the future is for Chinese authorities to take action, such as those identified in para 9, that will make the Beijing airport a less hospitable transfer point.

NON-PAPER ON URGENT MATTER TO BE DELIVERED NOVEMBER 3

8. (S/Rel China) Begin points:

-- Last week we raised with you information regarding North Korean plans to send a shipment, probably for Iran’s ballistic missile program, to Iran. We believe the cargo is intended for Iran's Shahid Bagheri Industrial Group (SBIG), which is responsible for Iran’s solid-propellant ballistic missile program. You had requested additional information.

-- We now have reason to believe that the items above will be shipped to Iran via scheduled Iran Air flight on November 4.

--If these goods are missile-related, North Korea is prohibited under UNSCR 1718 from exporting missile-related items and UN Member States are prohibited from importing those items. In addition, North Korea would potentially be precluded under UNSCR 1737 from transferring these items to Iran if they are among the missile-related components included in S/2006/815 or if North Korea or China determines that they would contribute to the development of nuclear weapon delivery systems. Moreover, SBIG is designated in United Nations Security Council Resolution (UNSCR) 1737 and, as such, is subject to the mandatory asset freeze called for in the resolution. With these concerns in mind we are asking that Chinese authorities investigate this shipment and prohibit it from proceeding to Iran.

BEGIN NON-PAPER FOR DELIVERY BY AMBASSADOR

9. (S/REL CHINA) Begin Points:

--Over the past several months we have raised with Chinese officials the problem of ballistic missile-related transfers between Iran and North Korea being transshipped through China. President Bush raised U.S. concerns on this matter with President Hu during the APEC summit in Sydney, demonstrating the importance of the issue to the United States. In response to President Hu’s request for additional details, we are providing you further information regarding these activities. Specifically, we are urgently providing information regarding an imminent shipment of serious concern.
North Korea is prohibited under UNSCR 1718 from exporting missile-related items and UN Member States are prohibited from importing those items. In addition, North Korea would potentially be precluded under UNSCR 1737 from transferring these items to Iran if they are among the missile-related components included in S/2006/815 or if North Korea or China determines that they would contribute to the development of nuclear weapon delivery systems. Moreover, SBIG is designated in United Nations Security Council Resolution (UNSCR) 1737 and, as such, is subject to the mandatory asset freeze called for in the resolution. With these concerns in mind we are insisting that Chinese authorities urgently investigate this shipment and prohibit it from proceeding to Iran.

We are very concerned that North Korean shipments of jet vanes occur on regularly scheduled commercial air flights transiting through Beijing. We believe this has been the case on about 10 flights.

These items are likely intended for Iran’s solid propellant missile development organization, the Shahid Bagheri Industries Group (SBIG).

These cargo shipments probably include front companies.

We have identified a large number of shipments beginning late last year of what are probably ballistic missile-related items that have transited Beijing, and we would like to share further information on these shipments.

[DETAILS REMOVED] December 2006: A delegation from SBIG returned from Pyongyang probably via Beijing and transported what we assess to be jet vanes for a solid propellant medium range ballistic missile (MRBM) under development in Iran.

On or about [DETAILS REMOVED] January 2007: North Korea delivered what were probably jet vanes for Iran’s developmental solid propellant MRBM to SBIG via Beijing on board regularly-scheduled commercial passenger flights.

On or around [DETAILS REMOVED] January 2007: North Korea delivered what were probably jet vanes for Iran’s developmental solid propellant MRBM to SBIG via Beijing on board regularly-scheduled commercial passenger flights.

On or about [DETAILS REMOVED] May 2007: An air shipment composed of four what were probably jet vanes from North Korea to Iran for SBIG was scheduled to depart North Korea and transit Beijing via regularly-scheduled commercial passenger flights.

On or about [DETAILS REMOVED] May 2007: An air shipment composed of five what were probably jet vanes from North Korea to Iran for SBIG was scheduled to depart North Korea and transit Beijing via regularly-scheduled commercial passenger flights.

On or about [DETAILS REMOVED] June 2007: An air shipment composed of four what were probably jet vanes from North Korea to Iran for SBIG was scheduled to
depart North Korea and transit Beijing via regularly-scheduled commercial passenger flights.

-- On or about [DETAILS REMOVED] June 2007: An air shipment composed of five what were probably jet vanes from North Korea to Iran for SBIG was scheduled to depart North Korea and transit Beijing via regularly- scheduled commercial passenger flights.

--On or about [DETAILS REMOVED] June 2007: An air shipment composed of three what were probably jet vanes from North Korea to Iran for SBIG was scheduled to depart North Korea and transit Beijing via regularly- scheduled commercial passenger flights.

--On or about [DETAILS REMOVED] July 2007: An air shipment composed of ten what were probably jet vanes from North Korea to Iran for SBIG was scheduled to depart North Korea and transit Beijing via regularly-scheduled commercial passenger flights.

--On or about [DETAILS REMOVED] July 2007: An air shipment possibly composed of an unknown number of jet vanes from North Korea to Iran for SBIG was scheduled to depart North Korea and transit Beijing via regularly- scheduled commercial passenger flights.

--On or about [DETAILS REMOVED] August: An air shipment possibly composed of one jet vane from North Korea to Iran for SBIG was scheduled to depart North Korea and transit Beijing via regularly-scheduled commercial passenger flights.

--We believe that the number of jet vanes sent to Iran will increase dramatically in the future.

--To date we believe that about 40 probable jet vanes have been sent from North Korea to Iran.

--The contract for these components called for a total number of 500 and we assess that shipments of these may increase to a rate of 100-160 per month.

--In addition, our information indicates that a second order of 1,500 components - possibly additional jet vanes - was agreed to in December of last year.

-- We believe that this trade will continue to utilize regularly- scheduled commercial passenger flights.

--As we have discussed on several occasions, Iran also has been seeking probable tungsten-copper alloy plates from China’s Dalian Sunny Industries, also known as LIMMT. Dalian Sunny Industries shipped part of an order for this material in September. These plates are suitable for Iranian domestic production of jet vanes or as an insulator for ballistic missile components. Iran could be seeking these plates in case North Korea is unable to provide the quantity or quality of jet vanes required.
--We urge you to prevent such shipments via whatever action you deem appropriate, including frequent inspection of [NAMES REMOVED] flights. The use of regularly-scheduled commercial passenger flights indicates that frequent regular inspections of [NAMESREMOVED] flights are in order and would help deter these shipments in the future.

--We will continue to provide you with relevant information to help end this proliferation.

Reporting Requirement and POC


RICE

WikiLeaks cable: "Wednesday, 26 March 2008, 09:48
C O N F I D E N T I A L SECTION 01 OF 02 BEIJING 001141
SIPDIS
SIPDIS
EO 12958 DECL: 03/26/2033
TAGS PREL, PGOV, PARM, KNNP, MNUC, KN, CH, IR
SUBJECT: STAFFDEL JANUZZI DISCUSSES NONPROLIFERATION, IRAN, AND DPRK WITH MFA ARMS CONTROL DIRECTOR GENERAL
Classified By: Deputy Political Section Chief Ben Moeling. Reasons 1.4 (b/d)

Summary

This note spells out the subtle differences in US and Chinese approaches to containing Iran: the Americans favour sticks while the Chinese still prefer carrots. In addition, the Chinese protest that their energy deals with Iran have no bearing on the nuclear issue. Key passage highlighted in yellow.

Summary

1. (C) Current bilateral cooperation on arms control, nonproliferation and export control is "remarkable," MFA Department of Arms Control Director General Cheng Jingye told Staffdel Januzzi March 24. Nevertheless, there is a "perception" that the United States counts on China’s support on nonproliferation issues but does not fully trust China as an equal partner. On Iran, China supports a dual approach which includes applying pressure via Security Council resolutions and focusing on the diplomatic front. China’s cooperation with Iran on energy is unrelated to the Iran nuclear issue and Cheng “can’t imagine” the consequences if Sinopec is sanctioned.
On North Korea, Cheng urged the United States to find a creative resolution to the declaration issue. End Summary.

2. (C) Frank Januzzi and Puneet Talwar, staff members of the Senate Foreign Relations Committee, met MFA Department of Arms Control Director General Cheng Jingye March 24 to discuss Chinese views on arms control, non-proliferation, Iran and North Korea.

"Remarkable" Cooperation

3. (C) Arms control, export controls and nonproliferation all contribute to China's security, said Cheng. A decade ago, cooperation between China and the United States focused on certain cases, but today's level of cooperation on nonproliferation and arms control issues is "remarkable," Cheng said. For example, China is actively involved in diplomatic negotiation efforts on North Korea and Iran. And in many areas of nonproliferation, said Cheng, the two countries see "eye-to-eye." He referred to multilateral agreements such as the Nuclear Suppliers Group (NSG), the Missile Technology Control Regime (MTCR), the Australia Group and the Wassenaar Arrangement and said that even if China is not a member of these various organizations, China has in place its own export control regime. For example, there is interagency coordination on sensitive exports as well as alleged proliferation cases raised by the United States. Cheng noted that while the pace of implementing arms control agreements has slowed in the past decade, China is prepared to move the disarmament conference forward within the United Nations framework.

Equal Partners

4. (C) Cheng contended that there is a "perception" that the United States counts on China's support and cooperation on nonproliferation issues but does not fully trust or treat China as an equal partner. For example, in the 1990s, China was invited to join the MTCR and the Australia Group but declined to join. Currently, however, China is "not welcome," despite expressing a willingness to join, Cheng said. China and the United States need to cooperate on a "mutual, equal basis." Cheng also raised the issue of sanctions against China Great Wall Industry Corporation (CGWIC). CGWIC has been subject to sanctions for ten years without "solid evidence," said Cheng. Over the past 3-4 years, CGWIC has restructured the company, changed its business model and prohibited contacts with countries of concern to the United States. Cheng expressed hope that the company would make progress during its March 20 meetings in Washington. …

North Korea

9. (C) Januzzi recounted his meetings with DPRK counterparts during his five-day trip to North Korea and said that he encouraged them to provide a declaration. Cheng said that China does not have specific information on North Korea's alleged purchase of centrifuge technology and that China had received this information from the United States. He urged the United States to focus on the future and not
to dwell on the past. The United States is not interested in delving into North Korea’s past, Januzzi countered. The United States needs to have clarity on certain issues, however, in order to move forward. According to Cheng, PRC Vice Foreign Minister Wu Dawei urged the DPRK to take advantage of this unique opportunity. The resolution of the declaration issue will require some imagination and creativity, Cheng said. North Korea does not fully trust the United States and remains concerned about admitting to an activity it claims never existed, Cheng claimed.

10. (U) Staffdel Januzzi did not have an opportunity to clear this cable. PICCUTA

WikiLeaks cable: Monday, 12 January 2009, 09:12
C O N F I D E N T I A L SEOUL 000059
SIPDIS
EO 12958 DECL: 01/12/2019
TAGS PGOV, PREL, KS, KN
SUBJECT: ROK’S FOREIGN POLICY TOWARD THE NEIGHBORS: NORTH
KOREA, JAPAN, CHINA AND RUSSIA
REF: A. TOKYO 3114 (TRILATERAL POLICY PLANNING) B. SECDEF
DTG261447ZNOV08 (DEFENSE TRILATERAL TALKS) C. TOKYO 3416 (ROK-PRC-
JAPAN TRILATS) D. SEOUL 1681 (ROKG ON CHINA) E. SEOUL 1700 (ROK-PRC
SUMMIT) F. SEOUL 2461 (ROK-RUSSIA STRATEGIC DIALOGUE)
Classified By: POL M/C Joseph Y. Yun. Reasons 1.4(b/d)

Summary

1. US diplomatic despatch discusses the tougher approach to North Korea adopted by South Korea's president, Lee Myoung-bak, after his election in 2008 - and Pyongyang’s “severe” response. Key passage highlighted in yellow.

1. (C) Summary: As a presidential candidate, Lee Myoung-bak called for a “creative reconstruction” of Korea’s foreign policy. In his February 2008 inaugural address, Lee criticized his two predecessors, saying, "At times over the last ten years, we found ourselves faltering and confused." He vowed to trade ideology for pragmatism as Korea’s surest means of improving ties with its neighbors, and he’s had some successes, especially with China and Russia, where Lee was able to expand substantially economic and political ties. Lee’s efforts on Japan and North Korea are more mixed. With Japan, the South Korean public was not quite ready to accept fully Lee’s attempts to compartmentalize history issues. Still, much progress was made in Seoul-Tokyo consultations on a variety of issues ranging from North Korea to economic to even security issues. On North Korea, Lee’s conservative agenda was predictably rebuffed by Pyongyang. However, all signs are that President Lee is quite comfortable in sticking to denuclearization and reciprocity as the basis of his North Korea policy, especially as it enjoys considerable support. End Summary.

DPRK
2. (C) In a February 2007 speech that has widely come to be known as the "MB Doctrine," presidential candidate Lee Myung-bank firmed up his vision of his administration's North Korea Policy. Lee said his first priority would be to abolish what he described as his predecessors' "unprincipled and unilateral policy of appeasement" toward the DPRK and replace it with a policy that offered generous assistance in exchange for North Korea's complete nuclear dismantlement and Pyongyang's accommodation of South Korea's desire for family reunion, accounting of welfare and whereabouts of POWs from the Korean War and several hundred abductees after the war. Immediately upon taking office, the Lee Administration also made it clear that it would review all commitments from the two South-North summits -- June 2000 and October 2007. Senior Lee Administration officials complained publicly that the October 2007 summit between Kim Jong-il and President Roh Moo-hyun was arranged by Roh to favor the progressive candidate in the presidential election two months later and that therefore President Lee was not bound to fulfill promises amounting to billions of dollars of aid to the North.

3. (C) The response from Pyongyang was predictably swift and severe. Using threatening language not heard since the Kim Young-sam days, North Korea has moved step by step to cut off inter-Korean relations. Initially, all inter-Korean meetings were cancelled, with the North loudly proclaiming that food aid from the South was neither needed nor wanted. Thereafter, Pyongyang implemented a draconian restriction in December of North-South cross-border traffic, stopping Kaesong tourism and severely limiting traffic to the Kaesong Industrial Complex. As the Kumgang tourism had been stopped by the South over the July shooting death of a Southern tourist, the net result has been a crippling blow to the KIC and Kumgang tourism, the two proudest results of the Sunshine policy.

4. (C) With both sides dug in, the outlook for any quick improvement in inter-Korean relations is slim to none. Much more likely is the continued "psychological war," as characterized by Foreign Minister Yu Myung-hwan in his recent meeting with the Ambassador. President Lee is determined not to give in to North Korean pressure. Our Blue House contacts have told us on several occasions that President Lee remained quite comfortable with his North Korea policy and that he is prepared leave the inter-Korean relations frozen until the end of his term in office, if necessary. It is also our assessment that Lee's more conservative advisors and supporters see the current standoff as a genuine opportunity to push and further weaken the North, even if this might involve considerable brinkmanship. Also favoring the Lee Administration's stance is the the Korean public, which is calm to the point of apathy about the inter-Korean situation.

Japan

5. (C) President Lee has made concerted efforts to improve relations with Tokyo, which were significantly strained during the Roh Moo-hyun era over history and territory issues. Lee sought to compartmentalize what he called "disputes over the past", stating in an early policy address that "South Korea and Japan should...try to foster a future-oriented relationship with a pragmatic attitude. Historical truth must not be ignored,
but we can no longer afford to give up our future relations due to disputes over the past." Lee’s vision was to look beyond the history-bound bilateral issues and create a Korea-Japan partnership active in the regional and global arena on issues like the denuclearization of the DPRK, strengthening of multilateral relationships, trade and economics, and cooperation on projects like alternative energy, communicable diseases, and poverty alleviation.

6. (C) So far, Lee’s efforts have yielded some success, although Blue House officials would argue that results would have been far better had Tokyo shown more courage, especially in dealing with the Takeshima/Dokdo issue. For example, Lee pressed ahead with his plan to engage Japan on a more strategic regional and global level. Lee made the decision that Korea would participate in the October U.S.-Japan-Korea Trilateral Policy Planning talks (Ref A) in Tokyo. He then agreed to the U.S.-Japan-Korea Defense Trilateral Talks (Ref B) in Washington in November, the first trilateral defense talks in six years. Lee also initiated the first ever stand-alone China-Japan-Korea Trilateral Summit (Ref C) in Fukuoka in December. Critics will of course point out that there were no substantial results from these meetings, but the fact that the meetings were held at all is a significant result.

China

7. (C) President Lee has openly courted the Chinese, and he has chalked up some noteworthy successes. Less than one year into his term, Lee has already met with PRC President Hu Jintao three times, quite unprecedented in the history of ROK-PRC relations (Ref D); typically, in the past, the ROK could expect only one visit in a PRC president’s ten-year term. Lee paid his first state visit to Beijing in May 2008 and met Hu again in August when Lee traveled to Beijing for the Olympics. Hu paid a state visit to Seoul August 25-26. President Lee made the relations seem a two-way desire. A Chinese Embassy contact told us that Beijing had been concerned that China-Korea relations would suffer because of the emphasis Lee wanted to put on improving U.S.-Korea relations. Therefore, China was pleasantly surprised that Lee was able to improve both bilateral relationships simultaneously. Kim Heung-kyu, Professor of Chinese Security and Foreign Policy at the Institute of Foreign Affairs and National Security, said Lee had effectively leveraged the U.S.-Korea relationship to improve relations with China, which is eager for closer ties with Korea to check U.S. and Japanese interests in the region.

8. (C) During Lee’s first visit to Beijing, he and Hu issued a joint statement which upgraded the Korea-China relationship to a "strategic cooperative partnership". Our Chinese Embassy contact gave the clearest explanation of what was now "strategic" about the ROK-PRC relationship: that China’s nomenclature to describe its relations with Korea was upgraded according to a roughly five-year schedule. In 1992, relations were normalized; in 1998, the first year of Kim Dae-jung’s term as President, the Chinese upgraded the relationship to "cooperative partnership"; in 2002, it was upgraded again to "comprehensive cooperative partnership," and now it is "strategic cooperative partnership."
9. (C) Despite the name, Koreans have found substantive strategic discussions with the Chinese frustratingly difficult. For example, Lee, unlike his immediate predecessors, Kim Dae-jung and Roh Moo-hyun, added North Korean human rights to the Korea-China summit agenda in August, asking Hu not to repatriate North Korean refugees against their will. Hu did not respond to Lee's request (Ref E). Also, we understand, Lee asked Hu what China thought about the North Korean domestic political situation and whether Beijing had any contingency plans. This time, Hu apparently pretended not to hear Lee. Still, the ROK did not come away empty, because, despite initial Chinese objections, Lee was successful in including in the summit joint statement a commitment "to promote dialogue and cooperation in the field of international human rights."

Russia

10. (C) Lee has largely continued the trend of his predecessors in upgrading economic ties with Russia. ROK-Russia economic ties have grown more than 40% annually for the past three years, with two-way trade exceeding USD 15 billion in 2007. Much of the growth is due to Russia's natural resources. For example, Lee paid a state visit to Moscow in September and agreed to a contract for Russia to supply Korea with 7.5 million tons of natural gas annually for thirty years beginning from 2015, amounting to an estimated 20% of Korea's annual natural gas consumption. And despite doubts about North Korea's cooperation, Lee agreed in principle to Russia exploring plans for a pipeline through North Korea to deliver the gas. The two countries also agreed to investigate the possibilities for linking the inter-Korean railway to the trans-Siberian railway system (Ref F).

11. (C) On his state visit, Lee also signed an agreement to upgrade the ROK-Russia relationship to a "Strategic Cooperative Partnership", the same term used by China to describe this year's upgrade to the ROK-PRC relationship. Ko Jae-nam, of MOFAT's Institute of Foreign Affairs and National Security, said Korea proposed using the term "Strategic Cooperative Partnership" after China used the term to describe the ROK-PRC relationship. Ko said Korea's objective in using the same terminology to describe the ROK-Russia relationship was to balance the ROK-PRC relationship.

Comment

12. (C) During a year in which President Lee faced considerable difficulty advancing his domestic agenda, his foreign policy efforts, if not wildly successful, at least did not get him into trouble. To a considerable degree, relations with South Korea's neighbors are driven by economic realities -- increased regional trade, investment, and tourism -- that mesh with Lee's pragmatic, non-ideological approach. Relations with North Korea were the outlier, as the DPRK took pains in 2008 to demonstrate that it could live without ROK assistance. STEPHENS
Summary South Korean military officials tell the Americans that North Korea’s aggressive behaviour and its other policy steps must be set in the context of a potential succession struggle as Kim Jong-il’s grip on power weakens. Key passage highlighted in yellow.

1. (C) SUMMARY: The DPRK’s recent restaffing and expansion of the National Defense Commission (NDC) and its hostile military rhetoric over the last several months are related to the DPRK leadership’s “top priority” need to stabilize the DPRK internally in preparation for succession, according to Colonel Lee Sang-chul, Ministry of National Defense North Korea Policy Division Director and lead ROKG representative to Colonel-level military-to-military talks in October 2008. A second priority was to achieve improved relations with the United States, which the DPRK regards as its only potential security guarantor, ironically. END SUMMARY.

Military Statements and the NDC

2. (C) In an April 23 meeting, Lee told Poloff that the Korean People’s Army’s (KPA) spate of high-level announcements over the past several months (such as the March 8 KPA Supreme Command report, the first in 15 years, and the four KPA General Staff statements since January, not seen since 1999) should not be misinterpreted as the DPRK military asserting control over the country, because the military could act only in concert with the Worker’s Party and the Cabinet. Instead the "generals appearing on TV" was a phenomenon directed at DPRK citizens with two goals: to show that the DPRK’s hostile external situation meant citizens had to pull together, and as a "power display" to send a law-and-order message to counter the increasing economic disorder resulting from decades of economic "depression." There was dissatisfaction among some elite groups in the DPRK, who knew of economic reform in China and Vietnam and wondered why the DPRK had instead deteriorated. To tamp down this internal dissent, external tension was needed. The ROKG was not particularly worried about the specific threats to the South contained in the statements because they saw the statements as targeted at the domestic audience, and in any case knew the DPRK would try to achieve surprise if it were to resort to military action, rather than giving warning.

3. (C) The key factor in the background was 67-year-old Kim Jong-il’s (KJI) waning health. After KJI’s August 2008 stroke, the DPRK was a “different environment that needed stronger leadership.” Lee said that before the stroke, KJI was confident that he could rule for years, but afterward he suffered “physical and psychological trauma.” KJI had become obsessed with creating political stability to allow an orderly succession, though Lee did not claim to know who was next in line. Immediately after the April 5 missile launch the Supreme People’s Assembly had declared the
beginning of KJI’s third ruling period. But rather than celebrating the renewal of his mandate, KJI was concentrating on changes that would pave the way for succession.

4. (C) The most important of these was the enlargement (from 8 to 13 members) and strengthening of the KJI-chaired National Defense Commission (NDC). The NDC was first established in 1998 with a largely symbolic role, but had since taken on policy and coordination functions. Now it had the lead on succession, Lee believed. KJI brother-in-law Chang Song-taek’s addition to the NDC was important for succession preparation, not only because he was married to KJI’s only sibling and close confidante 63-year-old Kim Kyong-hui, but also because Chang was seen as having effectively protected and acted for KJI during KJI’s fall 2008 recovery period.

5. (C) Another key change was the replacement of National Defense Commission Deputy Chairman Kim Yong-chun with Oh Kuk-ryul, a 78-year old Kim-family loyalist (in relative terms, since all senior officials are loyalists) who Lee thought was consolidating various ROK-surveillance and special operations institutions under his control at NDC. One of these was the Worker’s Party’s Operations Department, which Oh has headed since 1989. (Lee also referred to an April 21 JoongAng Ilbo newspaper article claiming that "Office 35," charged with intel collection, and the "External Liaison Office," charged with training agents, had both been moved from the Operations Department to NDC/KPA control, saying that ROK intel sources did not think there was evidence of such a move.) The Operations Department, which formulates actions against the South, was "passive" during the 1999-2007 Sunshine Policy period, but was now becoming more active again. In other words, Oh’s job was to keep the South off balance and make sure that it did not disrupt the succession period. Lee said he believed that changes to the DPRK constitution, announced but not yet explained, would also focus on succession-related issues. He alluded to frequent DPRK propaganda aiming for the establishment of a "strong and prosperous" nation by 2012, saying that DPRK authorities believed they had already succeeded ideologically and militarily, so they were concentrating on the economic side, which is where the Kaesong Industrial Complex fit in.

6. (C) The DPRK’s determination to maintain internal order meant that it could go so far as to engage in "limited armed conflict" with the ROK. At the same time, the DPRK was well aware that ROK forces were ready for any provocation and would respond with superior force. In addition, the DPRK knew that combined ROK-U.S. surveillance capabilities would prevent it from achieving surprise, so Lee was reassured that no direct military provocation was imminent.

Relations with the U.S.

7. (C) Asked what the ROKG’s policy options were, given the above situation, Lee answered indirectly, saying that the main question was U.S.-DPRK relations. Second only to maintaining internal stability to allow for succession was the
DPRK’s determination to improve relations with the U.S., because only the U.S. could solve both the DPRK’s security and economic problems. Lee said this push for improved relations was ironic, given DPRK rhetoric attacking the U.S. as a menace, but was nevertheless high on DPRK authorities’ agenda. Lee said the DPRK saw the 1999-2000 rapprochement with the Clinton Administration as the first, failed, chance for peace with the U.S.; that the Bush (43) Administration had turned to negotiations too late for substantial progress; and that the Obama Administration amounted to a “second chance.” The DPRK craved a dialogue with the U.S., aiming for a “big deal,” but first needed to raise tensions to create the need for dialogue.

8. (C) The scope for inter-Korean relations depended on what happened with U.S.-DPRK relations. Lee was convinced that the DPRK would keep tension high towards the South, while seeking an opening with the U.S. Therefore, his recommendation to ROK policymakers was to stay on an even keel to keep the South-North situation from deteriorating further. The DPRK’s April 21 proposal for dialogue about land-use and wages at the Kaesong Industrial Complex was potentially helpful in that regard, but had to be approached carefully, because the DPRK would try to seize the initiative and lock-in economic benefits without offering reciprocal steps. Like other ROKG officials, Lee emphasized the need for continued close U.S.-ROK coordination on all issues related to North Korea.

9. (C) Lee cautioned that China would seek to prevent U.S.-DPRK relations from improving too much, adding with a smile that had it not been for its attitude toward the U.S., China would have moved to prevent the October 2006 DPRK nuclear weapon test.

Mt. Kumgang

10. (C) As an aside, Lee commented on the July 2008 shooting death of a South Korean tourist at Mt. Kumgang. He said that KPA soldiers and sentries in the area, after frequent contact with South Korean tourists, had a tendency to be too relaxed, so KPA officers periodically conducted exercises to tighten discipline. The shooting had occurred during one of those exercise periods.

Summary
1. Russian Ambassador-at-Large for to the six-party talks, Grigoriy Logvinov, admits that Moscow has limited influence with the regime, as shown by a recent visit by its foreign minister. Key passage highlighted in yellow.

1. (C) Summary. Amidst escalating threats from Pyongyang in response to UN Security Council actions against its April 5 missile launch, Russian Ambassador-at-Large for Six-Party Talks Grigoriy Logvinov during an April 28 meeting urged the U.S. and the other Six-Party partners to remain patient. Reporting that Foreign Minister Lavrov had a difficult trip to North Korea that did not reveal any flexibility in DPRK's position, he assessed that Pyongyang was hunkering down for a succession crisis, while seeking to use Yongbyon's disablement reversal as a bargaining chip for further concessions in the Six-Party talks. Lamenting that no one had good ideas on how to pull North Korea back from its brinkmanship, Logvinov asked for additional consultations with the U.S., particularly on the time it would take for Pyongyang to reassemble its plutonium reprocessing capabilities. In Logvinov's view, the Six-Party partners should use the intervening time to engage in quiet diplomacy to persuade North Korea to return to the negotiating table, though it is possible that we may have to wait until the succession crisis has passed before seeing a softening of North Korea's position. End Summary.

A Rough Trip

2. (C) In an April 28 meeting, Ambassador-at-Large Grigoriy Logvinov characterized Foreign Minister Lavrov’s April 23-24 trip to Pyongyang as "rough." Logvinov conveyed that the North Korean leadership was "very angry" and told Lavrov categorically that it was resolved to restart its nuclear program, would never participate in the Six-Party Talks again, and would not trust anything but nuclear deterrence as its security guarantee. In contrast to his 2004 trip, Lavrov did not get a meeting with Kim Jong-Il. Logvinov speculated that the reason could be due to either Kim's poor health or North Korean displeasure at the GOR's support for the UNSC Presidential Statement and sanctions.

3. (C) Indicating that FM Lavrov would be sending personal letters to his Six-Party counterparts regarding his trip, Logvinov urged the U.S. to show patience and not overreact to the latest developments. In his view, Pyongyang's hard line position was either a negotiating tactic or an indication that a power transition was near, but in any case did not represent the final word on the denuclearization issue. Referring directly to Japan, Logvinov warned that if countries were to press for additional UNSC action, it would only provoke the DPRK into further brinkmanship and prove counterproductive.

Wait Out the Succession Crisis

4. (C) Elaborating on his assessment that a power transition was near, Logvinov hypothesized that Pyongyang was being particularly intransigent because it wanted to demonstrate strength to the outside world and mask the power
struggle occurring internally. Recalling the political instability around the time of Stalin and Mao's deaths, he indicated Moscow understood the possible fallout of a North Korean succession scenario because "we have seen this before." While noting that Kim Jong-II appeared to be functioning, if impaired, Logvinov speculated that as long as the "Dear Leader" was technically alive, he could remain the face of a charismatic leadership. Others, whether it's his son or brother-in-law, could wield the power behind the scenes. Should Kim die, however, these people would have to emerge from the shadows and establish their own authority to rule, in which case the situation could become quite unstable. According to Logvinov, the GOR did not have a clear picture of the role the North Korean military would play in a succession crisis, nor did it know what importance to attach to the increased prominence of the military in the official press. Logvinov mused that a collective leadership arrangement might be a more stable option during a North Korean succession scenario.

5. (C) In Logvinov's personal view, nothing was likely to induce North Korea to abandon its current course and return to the negotiating table until the succession crisis passed. The only thing the Six-Party partners could do in the meantime, he stressed, was to wait out the power transition while preventing Pyongyang from further wrongdoing. The previous goals of completing a verification protocol and finishing Phase II as soon as possible were unachievable for the time being.

Or Wait Until DPRK Restarts Yongbyon

6. (C) Logvinov did not rule out the possibility that North Korea, in an attempt to "sell" its nuclear capabilities a third time, would seek negotiations once it reversed the disablement of the Yongbyon nuclear facilities. The GOR hoped that Pyongyang’s stated intention to restart plutonium reprocessing was a negotiating ploy, rather than a real determination to reopen its nuclear program. In Logvinov's view, the DPRK's dire economic situation was affecting the military programs despite the disproportionate share of resources poured into them. Derisively calling the missile the North Koreans tested "a piece of junk that miraculously flew," he wondered if Pyongyang truly had the capability to restart reprocessing plutonium given Yongbyon's dilapidated condition. Recalling the estimate by the International Atomic Energy Agency (IAEA) that it would take the North Koreans three to six months to reverse fully Yongbyon's disablement, Logvinov asked for consultations with U.S. experts on a more definitive assessment of time frame, stating that the Six-Party partners should use the intervening period to engage in quiet diplomacy to pull Pyongyang back from brinkmanship.

7. (C) Should the North Koreans decide to seek negotiations after reversing disablement, Logvinov saw several complications ahead. First, **Pyongyang would likely demand a higher price for resuming the Six-Party Talks, which in his view could include a light water reactor and the exclusion of Japan from the talks as punishment for Tokyo’s high profile role in pressing for UNSC action.** Even the
withdrawal of U.S. troops from South Korea and the dissolution of the U.S. alliances in Northeast Asia could be among the DPRK conditions. Second, the Six Party partners should not agree to be blackmailed that way, especially with regard to paying again for Yongbyon’s disablement, and would need to secure DPRK agreement to restart from where the process had left off. Third, Pyongyang’s disablement reversal would be a clear violation of UNSCR 1718. Whether the Security Council should take action would be an awkward question, as doing so could provide North Korea into further belligerent action. And lastly, North Korea’s blatant disregard of the principles of the Nuclear Non-Proliferation Treaty (NPT) posed challenges to efforts to strengthen the global nonproliferation regime as the international community prepared for next year’s NPT review conference.

No One Knows What to Do

8. (C) In Logvinov’s view, none of the Six-Party partners currently had good ideas on ways forward. He shared that during Chinese Foreign Minister Yang Jiechi’s just concluded April 26-27 visit to Moscow, the Russian and Chinese sides discussed North Korea in general without putting forward specific proposals. Lavrov and Yang reaffirmed their common positions on the need for patience and restraint, and agreed that the Six-Party Talks must continue. Similarly, the MFA had prepared briefing material on North Korea for Prime Minister Putin’s May 11 trip to Japan, but it too “contained nothing special.” One prerequisite for jump starting the negotiations again, in Logvinov’s view, was the Six-Party readiness to fulfill immediately the Phase II economic assistance obligations.

9. (C) Logvinov stressed the importance the MFA placed on consultations with the U.S. on North Korea, and in this regard expressed appreciation for Ambassador Sung Kim’s phone call last week that helped him to provide FM Lavrov a fuller brief for his Pyongyang trip. While welcoming a possible visit by Special Envoy Bosworth to Moscow in the next week, he asked that the U.S. come prepared with proposals or views on the next steps. “We shared our views in Seoul. Now we are ready to hear from our American friends,” he stated, referring to the March 7 initial meeting between Ambassador Bosworth and Deputy Foreign Minister Borodavkin in South Korea. He also expressed the view that should the Six-Party partners succeed in persuading North Korea to return to the talks, the U.S. should not continue to insist on completing verification protocol as it would be untimely given the changed circumstances. BEYRLE
Washington, including North Korea, Iran and Afghanistan/Pakistan. On North Korea, VFM He hoped to hold "informal consultations" in Washington on how generally to approach the North Koreans, not just through the Six-Party Talks. Washington and Beijing nevertheless needed to discuss how to maintain momentum in the Six-Party Talks so as to preserve our common interest in stability of the Korean Peninsula. North Korea wanted to engage directly with the United States and was therefore acting like a "spoiled child" in order to get the attention of the "adult." China therefore encouraged the United States, "after some time," to start to re-engage the DPRK. In this regard, it was good that the New York channel remained open, VFM He observed. Noting that Special Representative for North Korea Policy Stephen Bosworth would visit Beijing in May, VFM He said that, if the Six-Party Talks would be on hold for an extended period, then the Six Parties needed to find ways to continue to engage the DPRK and each other, either bilaterally or even perhaps trilaterally. The Charge noted that we should be careful not to reinforce Pyongyang’s bad behavior. oximately 1,000 abductees and POWs believed to be still held by the DPRK. XXXXXXXXX stressed that Seoul appreciated Ambassador King’s effort to keep the family reunion, abductee, and POW issues on the proverbial agenda. ... 

19. (S) The Charge emphasized the importance of expediting exit procedures from China for two North Koreans who had entered the Embassy compound and asked for VFM He’s assistance in doing so. VFM He said he would look into the matter.

U.S. JOURNALISTS DETAINED IN DPRK

20. (C) The Charge urged China to press the DPRK to release the two American journalists detained in North Korea. VFM He replied that the United States could "rest assured" that China would do so.” STEPHENS

WikiLeaks cable: Thursday, 04 June 2009, 09:08
S E C R E T SINGAPORE 000529
EO 12958 DECL: 06/04/2029
TAGS OVIP (STEINBERG, JAMES B.), PREL, MNUC, ECON, SN, CH, KN
SUBJECT: DEPUTY SECRETARY STEINBERG’S MAY 30, 2009
CONVERSATION WITH SINGAPORE MINISTER MENTOR LEE KUAN YEW
Classified By: Charge d’Affaires Daniel L. Shields. Reason 1.4 (b) and (d).

Summary

**Korea to have nuclear weapons or to collapse, but would prefer the former.** He doesn’t believe Pyongyang will give up nuclear weapons as a form of defence and describes North Koreans as "psychopathic", but holds out hope for change under a new leader. Key passage highlighted in yellow.

1. (SBU) May 30, 2009; 6:30 p.m.; The Presidential Palace; Singapore.
2. (SBU) Participants: United States The Deputy Secretary Glyn T. Davies, EAP Acting Assistant Secretary Daniel L. Shields, CDA (Notetaker) SINGAPORE Minister Mentor (MM) Lee Kuan Yew Chee Hong Tat, Principal Private Secretary to MM Cheryl Lee, Country Officer, Americas Directorate, MFA

3. (S) SUMMARY: Deputy Secretary Steinberg used his meeting with Minister Mentor Lee Kuan Yew to stress the importance of Chinese cooperation in addressing the North Korea nuclear issue and to elicit MM Lee's views on China and North Korea. MM Lee said the Chinese do not want North Korea to have nuclear weapons and do not want North Korea to collapse. If China has to choose, Beijing sees a North Korea with nuclear weapons as less bad than a North Korea that has collapsed. MM Lee asked Deputy Chief of the People's Liberation Army (PLA) General Staff Ma Xiaotian what China can do about North Korea. General Ma's answer was that "they can survive on their own." The Deputy Secretary noted that the DPRK could have a fair and attractive deal if it would change its approach. If not, North Korea faces a change of course by the United States, the ROK and Japan. MM Lee said he believes Japan may well "go nuclear." MM Lee also offered views on the Chinese economy, Taiwan, Chinese leaders, and U.S.-China relations. End Summary.

China and North Korea

4. (S) Deputy Secretary Steinberg met with Singapore Minister Mentor Lee Kuan Yew on May 30 on the margins of the Shangri-La Dialogue, the annual international security forum held in Singapore. The Deputy Secretary used the meeting with MM Lee to stress the importance of Chinese cooperation in addressing the North Korea nuclear issue and to elicit MM Lee's views on China and North Korea. MM Lee said the Chinese do not want North Korea to have nuclear weapons. At the same time, the Chinese do not want North Korea, which China sees as a buffer state, to collapse. The ROK would take over in the North and China would face a U.S. presence at its border. If China has to choose, Beijing sees a North Korea with nuclear weapons as less bad for China than a North Korea that has collapsed, he stated.

5. (S) MM Lee said he asked Deputy Chief of the People's Liberation Army (PLA) General Staff Ma Xiaotian what China can do about North Korea. General Ma's Delphic answer was that "they can survive on their own." MM Lee said he interpreted this as meaning that even if China cut off aid, the DPRK leadership would survive. This is a leadership that has already taken actions like killing ROK Cabinet Members in Burma and shooting down a KAL flight. If they lose power, they will end up facing justice at The Hague, like Milosevic. They have been so isolated for so long that they have no friends, not even Russia. They have not trusted China since the Chinese began cultivating ties with the ROK, given China's interest in attracting foreign investment, he said. The Deputy Secretary noted that the DPRK could have a fair and attractive deal if it would change its approach. If not, North Korea faces a change of course by the United States, the ROK and Japan. MM Lee expressed worry about the effect on Iran if the DPRK persists. MM Lee said he believes the DPRK can be contained and will not proliferate, but Iran has very high ambitions, ties to Shiite communities outside Iran, and oil wealth.
6. (S) The Deputy Secretary noted that North Korea’s decisions will have an impact in Japan. MM Lee said he believes Japan may well “go nuclear.” The Chinese must have factored this into their calculations and concluded that the prospect of Japan with nuclear weapons is less bad than losing North Korea as a buffer state. The Chinese take a long-term view and must think that within a few years the DPRK’s current leadership will be gone and there will be new leadership, with new thinking. But there will still be a North Korea, he said.

7. (S) MM Lee said he wishes the USG well in its efforts on North Korea, but he would be surprised if the North Koreans agree to give up nuclear weapons. They might give up a first-strike capacity, but they want nuclear weapons in case the USG decides to seek regime change. They are psychopathic types, with a "flabby old chap" for a leader who prances around stadiums seeking adulation. MM Lee noted that he had learned from living through three and a half years of Japanese occupation in Singapore that people will obey authorities who can deny them food, clothing and medicine.

8. (S) MM Lee said the ROK, after seeing what had happened with German unification, does not want immediate unification with the DPRK. There is "nothing there" in the DPRK, other than a military organization. Kim Jong-II has already had a stroke. It is just a matter of time before he has another stroke. The next leader may not have the gumption or the bile of his father or grandfather. He may not be prepared to see people die like flies. China is calculating all this. They have their best men on the job. They want to help the United States to advance common objectives. But they do not want the South to take over the North, MM Lee said. …

19. (U) The Deputy Secretary has cleared this message. SHIELDS

WikiLeakscable: Friday, 24 July 2009, 07:38
C O N F I D E N T I A L SEOUL 001171
SIPDIS
EO 12958 DECL: 07/24/2019
TAGS PGOV, PREL, PINR, ECON, KN, KS
SUBJECT: A/S CAMPBELL’S MEETING WITH ROK UNIFICATION
MINISTER HYUN IN-TAEEK
Classified By: Ambassador Stephens. Reasons 1.4(b/d)

Summary

A South Korean minister says Kim will die by 2015, and anticipates further "fireworks" in the tumult of succession. The post-Kim country will need outside help to stave off economic collapse. Key passage highlighted in yellow.

1. (C) SUMMARY: In a July 20 meeting, Unification Minister Hyun In-taek outlined Kim Jong-il’s health and succession concerns, key figures and the current state of the DPRK for A/S Campbell. Although Kim Jong-il (KJI) remained firmly in control of the regime for now, he was unlikely to live beyond 2015. On succession, Hyun observed the current succession preparations for Kim Jung-un were "rushed," and anticipated
additional "fireworks" (either a third nuclear test or missile launches) at the end of the current 150-day campaign, scheduled to end in mid-October. North Korea would return to dialogue afterwards. North Korea is suffering from severe food shortage and devastating economic crisis caused by lack of foreign aid, economic foundation and decent harvest. The situation is worse than the 1996/1997 crisis, because the economic uncertainty is taking place during, not after, a power transition period. Desperate for cash, Hyun believed North Korea would sell nuclear technology to potential buyers. North Korea desired to be a "strong state," ideologically, militarily and economically. Nuclear power would allow two of the three: ideological and military strength. **The role of the DPRK Foreign Ministry diminished after Kim Gae-kwan failed to "deal with the United States."** The Kaesong Industrial Complex (KIC) remained a source for cash for the DPRK; it was also a potential window of opportunity for inter-Korean cooperation, and at the same time a potential political liability for both Koreas. Hyun believed North Korea after KJI's death would look very different than the current state and require economic assistance from South Korea and the United States. Hyun also underscored the importance the U.S.-ROK cooperation and believed a unified Korea should be nuclear free. END SUMMARY.

KJI's Heath and Succession

2. (C) **While KJI's overall political power remained "firm and strong," his health was weakening, Hyun said.** South Korean analysts believed that KJI was unlikely to live more than 3 to 5 years, although he seemed to be doing better lately. MOU had not discovered any firm basis for rumored pancreatic cancer, reports of which stemmed from a Japanese press article with a Beijing source. Wang Jiarui, Director for PRC Communist Party International Liaison Department, told Hyun that when he had met with KJI in January, Wang could not detect any scars on KJI's head from his widely reported surgery after suffering a stroke. Also, KJI did not look as though he would die soon when he attended the 15-year commemoration of the death of his father, Kim Il-sung, on July 8. KJI remained for the entire duration of the celebration -- over three hours -- and met with his staff for about 20 minutes after the event.

3. (C) **Hyun observed that the current, "rushed," pace of succession preparation in the North was noteworthy. "Semi-officially," Hyun said, the transition had started, with some power and authority already transferred to the youngest son, Kim Jong-un, who had already been recognized publicly as a "young commander" and a "brilliant star."** The current 150-day campaign, scheduled to end in mid-October, was to provide a boost to a smoother transition. Hyun said he expected further nuclear and/or missile tests in October; perhaps, after that, North Korea would return to the nuclear talks.

Return to Dialogue After October

4. (C) **Hyun said it was only a matter of time before North Korea returned to the nuclear talks; the only question was when.** North Korea faced a severely degraded economy, serious food shortages, and a shortage of foreign currency. It could resist for a while, but not for a long time. The Five Parties, therefore, should focus on
how to manage the return of North Korea to the negotiations. If the return was not well managed, there would be poor results. The United States and South Korea must apply patience and pressure.

The Current State of North Korea

(C) According to Hyun, **North Korea now faced a very difficult economic situation, similar to the conditions in 1996 and 1997.** Hyun pointed out that **North Korea produces nothing** and **had no meaningful trade with the outside world.** On food, Hyun said that North Korea was now asking private ROK entities for food assistance. Hyun confirmed that the ROKG did not send food aid or fertilizer to the DPRK from 2008 to present. **Having also refused U.S. food aid, the DPRK was severely suffering, and the food situation would not improve soon, Hyun said.** Since early July, North Korea had suffered from unusually heavy rainfall, which would have a devastating effect on the harvest this year.

6. (C) On inter-Korean trade, **Hyun cited data from the Korea Development Institute (KDI), which showed a sharp decrease in inter-Korean trade over the past six months.** Moreover, inter-Korean projects such as Mt. Kumkang and Kaesong city tours, major sources of cash, had dried up completely because they were closed in July and December 2008. The remaining, legitimate, cash flow for the North is now the Kaesong Industrial Complex (KIC), from which the North receives about USD 35 million for its 40,000 workers. Hyun believed that North Korea could, and would, sell nuclear technology, and even plutonium.

7. (C) **Hyun assessed that Pyongyang's nuclear and missile tests were to earn "one big deal" with the United States. North Korea wanted to be recognized as a nuclear state.** North Korea's goals were to become ideologically, militarily, and economically a strong state. Aiming to achieve "strength" in all areas by 2012, the year when North Korea will "enter the gateway to become a strong and prosperous nation," according North Korean schedule. Hyun said the ideological goal was already achieved through Kim Il-sung's Juche, or self-reliance, ideology. The DPRK's aim to become a military power was "nearly achieved," through the North's nuclear and missile capabilities. In North Korea's view, ideological and military strength would come from becoming a nuclear power. When North Korea would "gain strength" on all three fronts, it would also obtain the recognition and respect from the rest of the world.

Key players

8. (C) **Hyun identified Jang Sung-taek as the central figure in North Korea at the moment, probably the second-in-command.** However, Jang did not oversee serious military issues, including nuclear and missile programs. On military issues, key authority was held by the National Defense Committee. Among the committee members, Hyun said Joo koo-chan was responsible for the rocket launch, and Oh Kuk-ryul and Kim Young-choon were key decision makers within the military. Other National Defense Committee members, such as Cho Myung-rok, who had met President Clinton, were not doing well because of old age. Oh Kuk-ryul and Kim Young-
choon were also old, but remained active. According to Hyun’s sources, Kim Young-
choon suffers from bad hearing, but remained one of KJI’s close confidants. Apparently,
KJI called for Kim Young-choon twice on July 8, at the celebration of the 15th
anniversary of KIS’s death -- a clear sign of influence. Hyun also identified Kim Jeong-
gak as “very powerful,” but underscored that KJI still controls “everything, including the
military.”

Diminishing Foreign Ministry’s Role

9. (C) In the past, the DPRK Foreign Ministry enjoyed some of influence and power,
as a check-and-balance element of the DPRK regime. Currently, that balance
system has broken down and the foreign ministry’s role has diminished
considerably. One reason for this downfall, according to Hyun, was the perceived
failure of the Six-Party Talks (6PT) where Kim Gye-kwan did "not deal with the
United States successfully." Hyun said that the North Korean authorities expected a lot
from Kim Gye-kwan, but he had “failed to deliver.”

Kaesong Industrial Complex (KIC)

10. (C) Hyun saw the KIC as a window of opportunity for inter-Korean development,
especially in introducing South Korean capitalism to the North. Run by South Korean
managers and machines, the KIC provides glimpse of the South Korean way of life to
over 40,000 North Korean workers and their external families. The workers’ change in
appearance and way of thinking was visible, Hyun said. The 40,000 KIC workers could
spread the South Korea’s way of life to their families, thus directly affecting some
150,000 people around Kaesong city. Hyun also noted that, the KIC was a divisive issue
in South Korea too. The North could use KIC to “divide” the South, Hyun assessed, but
still, Hyun said, most of South Korea, including the ROKG, did not want the project to
fail.

Way forward

11. (C) Hyun believed North Korea after KJI’s death would look very different, requiring
considerable economic assistance from South Korea, the United States and
international community. Hyun advised that in case of a sudden collapse in North Korea,
the ROKG and USG should move quickly toward unification of the Korean peninsula.
There was “no disagreement” among ROK agencies on this point, Hyun said. The USG
could expect “full cooperation” from the ROKG; unification was the goal of South Korea.
Hyun underscored the importance the U.S.-ROK cooperation and stated that a unified
Korea should be nuclear free.

12. (U) A/S Campbell has cleared this message. STEPHENS

WikiLeaks cable: Thursday, 13 August 2009, 08:54
S E C R E T ULAANBAATAR 000234
STATE FOR EAP/CM AND EAP/K; NSC FOR JEFF BADER
EO 12958 DECL: 08/13/2034
A senior Mongolian official says that in recent talks with North Korea, the latter made clear it wanted bilateral talks with the US and Bill Clinton's visit had improved the chances of that happening. The six-party talks were no longer an option. Key passage highlighted in yellow.

1. (S) Summary: On August 12, Mongolian Ministry of Foreign Affairs and Trade (MFAT) Deputy Director for Asian Affairs J. Sukhee briefed poloff on the annual Mongolia-DPRK consultations that concluded on August 11. MFAT State Secretary Tsogtbaatar led the Mongolian side, and the North Koreans met with President Elbegdorj on the sidelines of the consultation. Sukhee noted DPRK delegation head Vice Foreign Minister Kim Yong Il spent much time on the nuclear issue and little on the bilateral relationship with Mongolia. Key themes on the part of the DPRK were the lack of criticism of the United States, indications that the DPRK is seeking bilateral talks with the USG on normalization of relations, that the recent travel of former President Clinton to Pyongyang has greatly improved the prospects for such talks, that Mongolia would be an appropriate venue for these talks, and that the Six Party Talks are no longer an option. End Summary.

2. (S) Poloff met with MFAT Deputy Director for Asian Affairs J. Sukhee on August 12 to discuss Mongolia's annual bilateral consultations with the DPRK. Sukhee was present at the consultations and has been involved with Korean affairs as a diplomat since 1985. Sukhee was candid in his meetings with poloff, referring repeatedly and openly to his handwritten notes from the DPRK consultations.

DPRK DELEGATION OFFERS NO CRITICISM OF U.S.

3. (S) Sukhee indicated that VFM Kim met with MFAT State Secretary Tsogtbaatar for the consultations and also held a separate meeting with President Elbegdorj on the margins Monday. The Mongolian Deputy Foreign Minister was to lead this latter meeting but was unable due to an obligation. Sukhee said the meetings were notable for several reasons: the DPRK delegation did not read from a prepared script, they were not aggressive and made no criticism of the United States, and they criticized China and Russia "three or four times" for supporting recent UN Resolutions aimed at the DPRK. What follows in paras 4 through 12 is Sukhee's description to poloff of the DPRK's statements during the course of the consultations:

DPRK VFM ON DENUCLEARIZATION
4. (S) VFM Kim said the DPRK is spending too much on weapons rather than on its children, but that the current reality dictates that they cannot get away from weapons for now. Kim said the DPRK is not a threat and was only interested in self-protection. The Mongolian side expressed concern that a nuclear DPRK could lead to a nuclear ROK, Japan, Syria, and Iran, and urged that the Mongolian nuclear-free model could serve as an example. Kim stated the United States would not allow Japan or the ROK to go nuclear and that the DPRK is committed to peace and denuclearization.

5. (S) The Mongolians offered the example of the Soviet Union and the United States during the Reagan-Gorbachev era, when the two allowed for nuclear inspections, leading to improved trust and a reduction in the number of warheads. The Mongolians stated that if they were in the DPRK's place now, they would allow inspections, which would lead to mutual confidence and improved relations. The DPRK side offered no reaction to the suggestion.

6. (S) The DPRK side said what is most important is for the United States and the DPRK to come up with a "common language," a "non-aggression agreement," and establishment of diplomatic relations. Kim stated if the sides can take such measures, then denuclearization will be possible and easy, and that relations with Japan and the ROK will normalize thereafter.

7. (S) The Mongolian side counseled that recent "provocations" (this is Sukhee's word to poloff; another word may have been used in the consultations) such as the missile test meant that the present situation was very fragile, and that the DPRK should be careful not to present the wrong signal. Kim agreed that the DPRK must be careful and must build confidence. The Mongolians stated that even if one has peaceful intentions, one can be seen as provocative.

ON BILATERAL TALKS WITH THE U.S.

8. (S) Regarding former President Clinton's recent travel to the DPRK to secure of the release of the two journalists, Kim said this action had been prepared for a long time, meaning the groundwork for such a visit was already in place because of the progress the United States and the DPRK made during the Clinton presidency. Kim said forward motion stopped during the Bush Administration but was now able to proceed because of President Clinton's recent involvement in a personal capacity, because President Obama is of the same party, and because former First Lady Clinton is now the Secretary of State. The North Koreans were expecting a dialogue with the United States to start soon as an extension of President Clinton's visit.

9. (S) Kim asked the Mongolians to support a U.S.-DPRK dialogue (Sukhee described Kim as "enthusiastic" at this point), and he stated "there are no eternal enemies in this world."

ON THE SIX PARTY TALKS
10. (S) **Kim took a "very hard line" on the Six Party Talks according to Sukhee, stating that the DPRK will never return to the talks, that the talks were dead, but that the door has not closed on an opportunity for negotiations.** During discussion of the Six Party Talks, Kim criticized Russia and China for their support of recent UN resolutions aimed at the DPRK. Kim said Japan and the ROK were natural allies of the United States during the talks, and that Russia and China ended up supporting the other three, so that the DPRK felt it was five against one. Kim stated the real intention of the Six Party Talks was to destroy the DPRK regime, and that at present the DPRK wants to talk only to the United States.

**VFM KIM’S MEETING WITH PRESIDENT ELBEGDORJ**

11. (S) **Sukhee also provided insight into Kim’s meeting with Elbegdorj on August 10:** Kim refrained from criticizing the United States and stated the DPRK would be happy if the GOM could support a U.S.-DPRK dialogue "in the international arena." Kim said to Elbegdorj, "We are telling you all this because Mongolia understand us." Kim reiterated the notion that there is a "good personal understanding" between former President Clinton and DPRK leader Kim Jong-Il.

**HOW ABOUT U.S.-DPRK TALKS IN MONGOLIA?**

12. (S) **Sukhee further noted that a counselor named Choi from the DPRK Embassy in Ulaanbaatar told Sukhee on the way to the airport on August 11 that he had suggested to VFM Kim that it would be good to host U.S.-DPRK talks in Mongolia, but that Kim offered no reaction.** Choi also told Sukhee that the timing was right to establish a regional security mechanism whose organization the Mongols should spearhead. MINTON

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WikiLeaks cable Afterposten: S E C R E T SECTION 01 OF 05 BEIJING 002964

SIPDIS

PACOM FOR FPA PICCUTA

E.O. 12958: DECL: 09/29/2029

TAGS: OVIP (STEINBERG, JAMES B.), PREL, MNUC, SN, CH, KN

SUBJECT: DEPUTY SECRETARY STEINBERG´S SEPTEMBER 29, 2009 MEETING WITH PRC VICE FOREIGN MINISTER WU DAWEI

Classified By: Political Minister Counselor Aubrey Carlson. Reasons 1.4 (b/d).

1. (SBU) September 29, 2009; 11:40 a.m.; Ministry of Foreign Affairs; Beijing
2. (SBU) Participants:

U.S.

The Deputy Secretary, Amb. Jon M. Huntsman, Jr., Embassy Beijing; Joseph Donovan, EAP Principal Deputy Assistant Secretary of State; Rear Admiral Charles Leidig, Joint Chiefs of Staff; Amb. Joseph DeTrani, Mission Manager for North Korea, DNI; Amb. Sung Kim, Special Envoy for the Six-Party Talks; Derek Mitchell, Principal Deputy Assistant Secretary of Defense; RDML Bradley Gerhrke, U.S. Defense Attache in Beijing; Pamela Park, Special Assistant to the Deputy Secretary; Ryan Hass, Embassy Political Officer (notetaker); James Brown, Interpreter

CHINA

Vice Foreign Minister Wu Dawei; Yang Houlan, Ambassador for Korean Peninsula Issues; Cong Peiwu, Counselor, MFA Department of North American and Oceanian Affairs

3. (S) SUMMARY: In a September 29 meeting with Vice Foreign Minister Wu Dawei, Deputy Secretary Steinberg stressed that the U.S. remains committed to the Six-Party process and to the verifiable denuclearization of North Korea. The Deputy Secretary emphasized the importance of continued, close contact with the PRC on North Korea and stressed that the U.S. would not compromise its relations with China or other Six-Party Talks partners in pursuit of bilateral contact with the DPRK. The Deputy Secretary noted that the U.S. was not willing make concessions to entice North Korea to abide by its previous commitments. Ambassador DeTrani assessed that the DPRK was ready to return to multilateral talks on its nuclear program, but that it had not made a strategic decision to abandon nuclear weapons. VFM Wu encouraged the U.S. to engage in direct contact with the DPRK, which he felt could spur the DPRK to return to the Six-Party Talks. VFM Wu speculated that DPRK leader Kim Jong-Il’s deteriorating health and his desire to cement a legacy provided an opportunity for the resolution of the nuclear issue. In order to protect the gains that had been made and also to advance the Six-Party Talks, VFM Wu asserted, all parties had to remain committed to the September 2005 joint statement on denuclearization. VFM Wu reiterated China’s commitment to implementation of UNSC Resolution 1874 and offered a read-out following Premier Wen Jiabao’s October 4-6 visit to Pyongyang. End Summary.

Positive U.S.-China Relations

4. (S) Deputy Secretary Steinberg met with Chinese Vice Foreign Minister Wu Dawei in Beijing on September 29 for a fifty-minute discussion on North Korea. VFM Wu noted that the Deputy Secretary would have an opportunity to meet with a number of Chinese leaders during his visit, which spoke of the importance that China attached to its relationship with the U.S., as well as the respect that Chinese leaders held for the Deputy Secretary. VFM Wu commented that the Deputy Secretary’s visit occurred on the heels of President Obama and President Hu’s September 22 meeting in New York. The two Presidents had reached consensus on key issues in the bilateral relationship,
and now it was each side’s responsibility to work together to implement that consensus. VFM Wu described himself as an outsider to U.S.-China relations, and even as an outsider he had met the Deputy Secretary three times over the past year, a fact that VFM Wu said spoke volumes about the positive development of U.S.-China relations.

U.S. IS THE MISSING ELEMENT

5. (S) VFM Wu raised "The Red Cliff," a John Woo-directed movie about the Battle of Red Cliffs 1,801 years ago along the banks of the Yangtze River, as a metaphor for the current diplomatic situation with North Korea. At that time in China, three states were in conflict. Two overmatched southern states had joined forces to fight the numerically-superior northern state. The two southern states planned to use fire as a weapon to defeat the northern state, but in order to do so, the southern states required an easterly wind. The battle ensued in November, when the prevailing winds normally came from the west. During the battle, an easterly wind arrived, which enabled the southern forces to use fire as a weapon to defeat the superior northern forces. This story was an aphorism, VFM Wu suggested. In the story, the southern forces had all of the elements in place except for the crucial one -- the east wind ("dong feng"). The same was true with the Six-Party Talks. There have been positive interactions among the parties to the Talks, and the U.S. and China saw eye-to-eye on issues. There was only one missing element: only the U.S. could bring the east wind, VFM Wu declared.

PRC RATIONALE BEHIND HIGH-LEVEL VISITS TO DPRK

6. (S) VFM Wu explained that he had traveled to Pyongyang in July, State Councilor Dai had visited in August as President Hu’s Special Envoy, and Premier Wen Jiabao would pay a visit October 4-6. The purpose of these visits was to persuade North Korea to return to the Six-Party Talks. North Korea’s “supreme leader” called all of the shots. China sometimes had sharp debates with North Korea at the working-level, but when big matters were raised to the “supreme leader” for a decision, they were often easier to resolve. That was why China had sent him and State Councilor Dai and would send Premier Wen to Pyongyang in rapid succession, according to VFM Wu.

7. (S) VFM Wu explained that his visits to Pyongyang had left him with a clear impression that bilateral contact with the U.S. was the issue most on the minds of North Korean leaders. It was possible to revive the Six-Party Talks, but only if the U.S. would engage North Korea. Wu observed that the U.S. was at times capable of taking diplomatic initiative, and at other times was cautious in its diplomatic approach. In this instance, the U.S. had been overly cautious. China hoped the U.S. would initiate contact with North Korea, which VFM Wu stressed was crucial to re-convening the Six-Party Talks and to the larger goal of denuclearization of the Korean Peninsula.

CHINESE ASSESSMENT OF KIM JONG-IL

8. (S) VFM Wu allowed that DPRK leader Kim Jong-Il might have some realistic ideas, and stated that Kim Jong-Il wanted to engage the U.S. soon. Kim had been impressed by President Clinton’s visit, and had come away from his meeting with President Clinton
with an understanding that there were areas for discussion with the United States. VFM Wu stressed his personal feeling that if the U.S. made substantive contact with North Korea, then positive progress on the nuclear issue was within reach. The U.S. and China should not put off resolution of North Korea’s nuclear issue indefinitely, VFM Wu stressed.

9. (S) VFM Wu stated that he had read a statement after President Clinton’s visit that suggested that Kim Jong-Il was in good health, and speculated that the medical experts that accompanied President Clinton to Pyongyang might have arrived at a different conclusion. **VFM Wu suggested that Kim Jong-Il would like to resolve outstanding issues in the near future because his health might not permit him to put off decisions for too long. This dynamic created a favorable moment for resolving the nuclear issue; it was important for the U.S. and China to seize this moment and bring North Korea back to the path of consultations and negotiations, VFM Wu stressed.**

**U.S.-PRC SHARED ASSESSMENT ON NORTH KOREA**

10. (S) The Deputy Secretary expressed appreciation for VFM Wu’s insights on North Korea and for China’s decision to send senior representatives to North Korea to press for the early resumption of the Six-Party Talks. The U.S. and China shared common goals and a common assessment of the path forward on North Korea. Both countries had the confidence to send parallel messages to North Korea, and when we were able to engage North Korea at high levels, it reinforced shared U.S.-Chinese objectives. Regarding U.S.-DPRK contacts, the Deputy Secretary suggested, China already understood from Ambassador Bosworth’s September 3 visit and our ongoing bilateral contacts that the U.S. was prepared to have direct contact with North Korea as a way to bring North Korea back to the Six-Party Talks.

**LEARNING THE RIGHT HISTORICAL LESSONS**

11. (S) The Deputy Secretary noted that some people carried history forward through their own experiences. It was important that the U.S. and China drew from their shared history of dealing with North Korea to determine the best way forward. **The Deputy Secretary noted that the chief obstacle to progress at the end of the Bush Administration had not been a lack of U.S.-DPRK contact. In fact, the frequency of direct contact became a source of criticism, with some observers suggesting that the U.S. had too much direct contact with North Korea and not enough coordination with Six-Party partners.**

12. (S) **The Deputy Secretary observed that North Korea had established a pattern of provocation followed by conciliation to ameliorate pressure from the international community resulting from its actions. It was imperative to break this pattern, which was counter-productive to shared U.S.-Chinese goals on North Korea.**
13. (S) The Deputy Secretary asked VFM Wu what missing element, or “easterly wind,” would lead to a change in North Korea’s behavior and produce a different outcome than during the 1980s and 1990s. The Deputy Secretary offered three elements that could affect North Korea’s decision-making.

14. (S) The first element was the unified position on North Korea among the Six-Party Talks partners. The U.S. wanted to ensure that if it proceeded to bilateral contact with North Korea, such contact would not undermine in any way the strong unity of approach among Six-Party Talks partners.

15. (S) The second key element was the strong unity of action among Six-Party Talks partners, particularly in implementation of UN Security Council Resolution 1874. It would be important for Six-Party Talks participants to continue full implementation of this resolution, the Deputy Secretary stressed.

16. (S) The third key element would be to articulate clearly to North Korea precisely what steps the Six-Party Talks partners expected the DPRK to take to irreversibly denuclearize, while also making clear exactly what benefits the DPRK would derive from such actions. The Deputy Secretary acknowledged that significant work had already been undertaken in this regard, but much more work was needed to establish a specific, common understanding among Six-Party Talks participants.

17. (S) The Deputy Secretary acknowledged that although he was not certain whether these three elements would be enough to convince North Korea at a strategic level to decide it was better off without nuclear weapons, the U.S. was willing to test the proposition. The U.S. was prepared to have bilateral contact with North Korea to determine whether a different outcome was possible now that the Six-Party Talks participants held a clear, unified position.

U.S. CAUTION ON BILATERAL U.S.-DPRK CONTACTS

18. (S) The U.S. “caution” in re-engaging with North Korea stemmed from its interest in ensuring that any contact would be done on the clear basis that bilateral contact was not about managing North Korea’s nuclear program, but rather about taking concrete measures to dismantle it, the Deputy Secretary stated. North Korea had recently sent several positive signals, including through VFM Wu and State Councilor Dai’s meetings, North Korean public comments that walked back its previous rejection of the Six-Party Talks, hints that there could be a new formation for international talks on denuclearization, and statements that North Korea understood the goal was denuclearization. Premier Wen Jiabao’s October visit would present another opportunity to convey to North Korea that the Six-Party Talks partners shared a common position.

19. (S) On the current status of U.S.-DPRK bilateral talks, the Deputy Secretary explained that there had been exchanges in recent days through the New York channel on modalities for bilateral contacts. The U.S. wanted to ensure that if direct engagement occurred, the DPRK would participate at a high level. This would be the only way to
determine whether North Korea was serious about engagement. While the U.S. was prepared to have bilateral contact with North Korea, it was not willing to engage in extended bilateral negotiations in which an agreement would be reached outside of the Six-Party Talks framework. The only way to ensure an effective solution was to guarantee that all of the Six-Party Talks partners’ interests were brought into play, the Deputy Secretary said, while also noting that Six-Party Talks partners’ interests were similar, but not identical.

**KEY QUESTION: KIM JONG-IL’S CALCULUS**

20. (S) The Deputy Secretary suggested that the key questions concerned Kim Jong-Il’s motivations, specifically how he viewed his interests, and how much emphasis he placed on reaching a solution to the nuclear issue and normalization of relations with the U.S. as part of his legacy. The Deputy Secretary emphasized the need for continued, close dialogue with China.

**DPRK NOT CLEARLY COMMITTED TO DENUCLEARIZATION**

21. (S) Ambassador DeTrani said that the U.S. assessed, largely as a result of VFM Wu and State Councilor Dai’s seemingly successful efforts, that the DPRK was ready to return to multilateral talks on its nuclear program. **The U.S. further assessed that North Korea at a strategic level had not committed to the goal of complete, verifiable, irreversible denuclearization. North Korea wanted to be accepted as a nuclear state with ICBM capabilities.** The DPRK’s September 3 letter to the UN was indicative of this point. In the letter, the DPRK acknowledged that it had reprocessed spent fuel rods and extracted plutonium that was being weaponized, and **after six years of denial, admitted to possessing a uranium enrichment program.** A key question would be whether North Korea would negotiate while UNSC Resolution 1874 sanctions were still in place, Ambassador DeTrani noted.

22. (S) Ambassador DeTrani observed that North Korea had established a pattern of walking away from negotiations as a sign of displeasure, such as its 13-month hiatus from the Six-Party Talks after the U.S. had suggested it possessed an HEU program and its similarly long absence in protest of reports of money laundering through a Macau bank (BDA). In both of these instances, the Six-Party Talks partners had conceded something, after which the DPRK returned to the Talks. **The U.S. intelligence community assessed that if the Six-Party Talks partners did not concede something, the DPRK would be reluctant to move the Six-Party process forward.** Ambassador DeTrani emphasized the shared U.S.-China objective in achieving progress in the Six-Party Talks building upon the September 2005 joint statement that VFM Wu was so instrumental in crafting.

**CHINA COMMITTED TO 6-PARTY TALKS, DENUCLEARIZATION**

23. (S) The Six-Party Talks, on the whole, “have been positive,” VFM Wu declared. VFM Wu recounted that he had told North Korean counterparts on numerous occasions that the Six-Party Talks enabled the U.S. and North Korea to feel comfortable with bilateral
engagement. China supported U.S.-DPRK bilateral engagement, and such contact would not affect U.S.-China relations, VFM assured, allowing that other Six-Party Talks partners might not share the same view.

24. (S) VFM Wu affirmed that China was committed to getting North Korea back to the negotiating table. In order to protect the gains that had been made and to advance the Six-Party Talks, all parties had to remain committed to the September 2005 joint statement on North Korea’s denuclearization. VFM Wu allowed that in light of the current situation, it might be necessary to refine the statement, but nonetheless, the September 2005 statement had to serve as the starting point.

25. (S) On North Korean denuclearization, VFM Wu agreed with the U.S. assessment that it would be difficult to obtain North Korea’s commitment. The U.S. should inform North Korea that improved U.S.-DPRK relations depended upon verifiable steps toward denuclearization. VFM Wu agreed with the U.S. assessment that North Korea had not made a strategic decision to forego its nuclear weapons program. North Korea was looking in particular at its relations with the U.S. and was not moved by Chinese representations of what steps the U.S. would be willing to take. North Korea often insisted that it was an independent country and did not like having China as a go-between with the U.S., according to VFM Wu.

CHINA URGES BILATERAL, MULTILATERAL COMBINATION

26. (S) VFM Wu proposed that Six-Party Talks partners consider using bilateral mechanisms within the Six-Party Talks framework to improve relations with North Korea. Through a combination of bilateral and multilateral channels, it might be possible to persuade North Korea to abandon its nuclear program. Because the opportunity to persuade North Korea still existed, China would continue making vigorous efforts in this pursuit. VFM Wu stressed that the Chinese government was serious about UNSC Resolution 1874 implementation, adding that there had not been any change in China’s policy.

27. (S) The Deputy Secretary agreed with VFM Wu’s basic conclusions, expressed appreciation for VFM Wu’s leadership on the North Korea issue, and reiterated the U.S. interest in continued close contact with China. VFM Wu offered to provide a briefing for the U.S. immediately following Premier Wen Jiabao’s October 4-6 visit to Pyongyang.

28. (U) The Deputy Secretary cleared this message. HUNTSMAN
2009 CONVERSATION WITH STATE COUNCILOR DAI BINGGUO
Classified By: Political Minister Counselor Aubrey Carlson. Reasons 1.4 (b/d).

Summary

1. Chinese State Councillor Dai Bingguo discusses a visit to Pyongyang with American officials and the appearance and behaviour of Kim Jong-il. Dai admits that he did not "dare" to be candid with Kim. Dai noted that Kim had lost weight when compared to when he last saw him three years earlier, but that Kim appeared to be in reasonably good health and still had a "sharp mind." Kim told Dai that he had hoped to invite the Chinese official to "share some liquor and wine", but that because of scheduling problems, he would have to defer the offer. Key passage highlighted in yellow.

1. (SBU) September 29, 2009; 3:00 p.m.; Zhongnanhai Leadership Compound; Beijing

2. (SBU) Participants: U.S. The Deputy Secretary, Amb. Jon M. Huntsman, Jr., Embassy Beijing Joseph Donovan, EAP Principal Deputy Assistant Secretary of State Rear Admiral Charles Leidig, Joint Chiefs of Staff Amb. Joseph DeTrani, Mission Manager for North Korea, DNI Derek Mitchell, Principal Deputy Assistant Secretary of Defense Amb. Sung Kim, Special Envoy for the Six-Party Talks Pamela Park, Special Assistant to the Deputy Secretary Nancy Leou, Embassy Political Officer (notetaker) James Brown, Interpreter

PRC State Councilor Dai Bingguo Vice Foreign Minister He Yafei Guan Youfei, Ministry of National Defense, Deputy Director, International Office Zheng Zeguang, Director General, MFA North American and Oceania Affairs Department Zhang Kunsheng, Director General, MFA Protocol Department Yang Houlan, Ambassador for Korean Peninsula Issues Li Song, Deputy Director General, MFA Arms Control and Disarmament Department Cong Peiwu, Counselor, MFA North American and Oceania Affairs Department

3. (S) SUMMARY: In a September 29 meeting with State Councilor Dai Bingguo, the Deputy Secretary stressed the importance of persuading Pyongyang to return to the path of denuclearization. Dai said that the U.S.-China relationship was off to a good start under the new U.S. administration and urged the two countries to avoid "setbacks." During his recent trip to North Korea, Dai said, he met with DPRK leader Kim Jong-il for two and one half hours and Kim appeared to be in reasonably good health. Dai said he had urged Pyongyang to return to the Six-Party Talks. Dai’s DPRK interlocutors had responded that they wanted bilateral engagement with the United States first and that they would consider next steps, including possible multilateral talks, depending on the outcome of U.S.-DPRK bilateral talks. Dai said that Premier Wen’s October 4-6 visit to Pyongyang would be another opportunity for China and North Korea to exchange views on the nuclear issue. On Iran, Dai said China and the United States had the same objectives but that China would work on Iran in its own
way. China believed peaceful negotiation would achieve a more meaningful resolution than sanctions would, and, Dai urged, the United States should be more patient. D responded that patience could not be unlimited in light of Iran’s continued enrichment program in violation of UNSC resolutions. Dai assured the Deputy Secretary that China and the United States would work together to prepare for President Obama’s November visit to China. Dai supported the idea of a “concise and substantive” joint document to be issued in conjunction with the visit. End Summary.

Full Strategy to Address North Korea

4. (S) The Deputy Secretary met with State Councilor Dai Bingguo for an eighty-minute discussion on North Korea, Iran, and the U.S.-China relationship on September 29. The Deputy Secretary stressed the importance of fashioning a full strategy to address the DPRK nuclear issue and having a unified position among Six-Party Talks partners and allies that would lead to an effective and diplomatic resolution of the problem. He expressed support for Premier Wen Jiabao’s October 4-6 trip to Pyongyang and said both countries should work to persuade Pyongyang to return to the Six-Party Talks and to reaffirm the 2005 Joint Statement. The United States was prepared to have meaningful, substantive engagement with a senior North Korean official and would use the any bilateral discussion to encourage Pyongyang to return to the Six-Party Talks. The Deputy Secretary expressed appreciation for China’s efforts to implement UN Security Council Resolution 1874.

U.S.-China Relations on Positive Track

5. (S) State Councilor Dai said that President Obama and President Hu had had several opportunities to meet in recent months. After watching the two leaders interact in New York, Dai observed, the two presidents appeared to be "old friends." Dai thanked the U.S. Government for its "careful arrangements" for President Hu’s visit to New York, as well as for National People’s Congress Chairman Wu Bangguo’s recent, successful visit to the United States. Dai expressed appreciation to President Obama, Secretary Clinton and Treasury Secretary Geithner for their personal contributions in making the Strategic and Economic Dialogue (S&ED) a great success. Dai was confident that the S&ED would have a positive global impact and confided that China had already begun thinking about the next round. The U.S.-China relationship was off to a good start under the new U.S. administration despite some "unpleasant things." Dai urged the two countries to keep up a good momentum in the bilateral relationship and to work hard to avoid "setbacks."

Dai’s Visit to Pyongyang

6. (S) Regarding his recent visit to Pyongyang, Dai briefly recounted his two-hour meeting with DPRK leader Kim Jong-il. Dai said he was on relatively familiar terms with Kim, because he had met with Kim on several occasions in his previous role as Director of the Chinese Communist Party (CCP) Central Committee International Liaison Department (CCID). Dai admitted that in contrast with his discussion with Vice FM Kang (see below) his conversation with Kim was not as direct and candid and
joked that he "did not dare" to be that candid with the DPRK leader. Dai noted that Kim had lost weight when compared to when he last saw him three years earlier, but that Kim appeared to be in reasonably good health and still had a "sharp mind." Kim told Dai that he had hoped to invite the Chinese official to share some liquor and wine, but that because of scheduling problems, he would have to defer the offer to Dai's next visit to North Korea. *Kim Jong-il had a reputation among the Chinese for being "quite a good drinker," and, Dai said, he had asked Kim if he still drank alcohol. Kim said yes.* Dai said he also met briefly with Kim Yong-nam, President of the Supreme People's Assembly, who invited him to attend the performance of a famous Chinese opera, "The Dream of the Red Chamber."

7. (S) Dai said that he had had frank and blunt discussions with DPRK First Vice Foreign Minister Kang Suk-ju that totaled over two and one half hours. Dai said he told Kang that denuclearization should be Pyongyang's first choice and that it was important for North Korea to return to Six-Party Talks. He had stressed to Kang that the Six-Party Talks mechanism was useful and explained that the ultimate resolution of the Korean Peninsula issue could not be resolved without the participation of the Six Parties. According to Dai, *Kang responded that North Korea was still committed to the goal of denuclearization.* Dai believed that the North Koreans had not categorically denied the Six-Party Talks and opined that under the right circumstances, it might be possible to revive the Six-Party Talks process. Dai's North Korean interlocutors had emphasized the strong security threat it faced. The North Koreans told Dai that they wanted to have dialogue with the United States first and that they would consider next steps, including possible multilateral talks, depending on their conversation with the United States. North Korea held "great expectations for the United States," said Dai. DPRK officials had told Dai that North Korea viewed former President Clinton's visit to Pyongyang positively.

8. (S) Even though he had not had an opportunity to visit or observe any place other than Pyongyang, *Dai said, his impression of North Korea was that the domestic situation appeared stable and normal.* Dai opined that the DPRK appeared focused on two issues: improving its relationship with the United States and developing its economy.

U.S.-DPRK Bilateral Engagement

9. (S) China was aware that the United States was considering possible re-engagement with North Korea and supported U.S.-DPRK bilateral discussions, said Dai. With bilateral dialogue, there was "no limit to how far you could go." China appreciated U.S. understanding and support for Premier Wen's upcoming visit to Pyongyang. President Hu had already informed President Obama of the trip. Dai explained that it would have been "impolite" for China to not reciprocate with a high-level visit to Pyongyang after DPRK Premier Kim Yong-il had visited Beijing in March for the 60th anniversary celebration of Sino-DPRK ties. Wen's visit would provide an opportunity for China and North Korea to exchange views on the nuclear issue, stated Dai.
10. **The Deputy Secretary** thanked Dai for sharing his perceptions of the North Korea nuclear issue and stressed that President Obama wanted to make clear to the North Korean people and to Kim Jong-il that the United States did not have any hostile intent toward North Korea. The United States was ready to move forward to normalize relations with North Korea if Pyongyang moved toward denuclearization. The Deputy Secretary expressed hope that North Korea would agree to a meeting between Ambassador Bosworth and First VFM Kang Suk-ju to achieve that goal.

U.S. National Security Strategy

15. (S) Noting the Deputy’s interest in "strategy" Dai asked whether the Obama administration had an overarching national security strategy. The Deputy Secretary said that the National Security Strategy, which would likely be issued before the end of the year, would articulate the administration’s global strategy. He noted that the Secretary had recently identified major themes during her speech to the Council of Foreign Relations, including the importance of global cooperation in confronting today’s challenges. In that context, the U.S.-China relationship would play a core role. Dai said he looked forward to reading the strategy paper.

President Obama Visit to China

16. (S) Dai said that President Obama had recently told President Hu that he looked forward to having a "magnificent" visit to China. Asked how China could help achieve this, the Deputy Secretary said the two countries should seek to demonstrate to our peoples and to the international community how the U.S.-China relationship would help address global challenges in areas such as public health, nonproliferation and the environment. The two countries should seek to demonstrate how U.S.-China ties were between the two peoples, not just between the governments, diplomats and leaders. Dai assured the Deputy Secretary that China would work with the U.S. to prepare a successful visit. It would be "great," said Dai, if the two sides could agree on language for the joint visit document that would be "concise, as well as substantive."

Global Nuclear Security Summit

17. (S) Asked about U.S.-sought outcomes and goals for the Nuclear Security Summit, the Deputy Secretary explained that President Obama had laid out the three pillars of his nuclear policy during his Prague speech. The Nuclear Security Summit was designed to focus on one of those pillars—the need to safeguard nuclear material against theft or diversion. The risk of proliferation had increased with the expansion of new nuclear power programs and with the existence of unsecured legacy nuclear materials in former Soviet states. We needed to have assurances that the peaceful development of nuclear power programs and nuclear research did not pose proliferation risks.

The Same Boat
18. (S) The U.S.-China relationship was of crucial importance, said Dai. China would do its best to cooperate with the United States wherever possible. "If we expand the pie for the common interest, the pie will be larger and more delicious." Together, the two sides should work collaboratively for the good of the world, especially since the two countries were "passengers in the same boat." Dai urged careful management of the relationship and respect for each other’s core interests and concerns.

19. (U) The Deputy Secretary cleared this message. HUNTSMAN

Friday, 11 December 2009, 10:22
C O N F I D E N T I A L SECTION 01 OF 03 BEIJING 003313
SIPDIS
EO 12958 DECL: 12/11/2034
TAGS PREL, PARM, MNUC, PGOV, KN, IR, CH
SUBJECT: UNDER SECRETARY BURNS MEETING WITH CCID DIRECTOR WANG JIARUI ON IRAN, NORTH KOREA

Summary

1. In a meeting with senior Chinese official Wang Jiarui, the US is told that talks, not threats, are the only way forward when dealing with North Korea. In fact, Wang suggests, the US perhaps does not realise that the North, for all its strong language, badly wants a rapprochement with Washington to end its international isolation and help remedy its domestic problems. Key passage highlighted in yellow.

Summary

1. (C) Under Secretary Burns met with Director of the Chinese Communist Party’s Central Committee International Liaison Department (CCID) Wang Jiarui December 9 to discuss U.S.-China cooperation on North Korea and Iran. Wang said that the "ideal outcome" of Special Representative for North Korea Policy Stephen Bosworth’s current visit to Pyongyang would be a meeting with DPRK leader Kim Jong-il. The very fact of the visit, Wang emphasized, was important because it sent a signal to the DPRK that the United States was serious about negotiating a settlement of the Korean Peninsula issue. The DPRK would be unwilling in the short run to publicly announce denuclearization or an immediate return to the Six-Party talks, but would not want to lose the opportunity presented by Ambassador Bosworth’s visit. The important thing was to keep things moving in the right direction and prevent the situation spinning out of control.

2. (C) Wang praised U.S. policy on Iran, calling it a "practical" approach. He said China was in agreement with the United States "in principle" that Iran should not be allowed to acquire nuclear weapons and that the consequences of such an event would have a
negative impact on Chinese interests. He also said that China would cooperate in persuading Iran to live up to the commitments it made at the October meeting in Geneva with the P5-plus-1 to resume discussions on the nuclear issue and allow third countries to reprocess its nuclear fuel. However, Wang insisted, continued diplomacy, rather than military action or stronger sanctions, was the best option at present. U/S Burns stressed the importance of China’s cooperation and would not close the door on diplomacy but that U.S. patience was wearing thin and Iran had to soon show it was complying with international agreements or face real consequences. End Summary.

China Pleased With Bosworth Visit to DPRK

3. (C) Asked his views on the North Korea nuclear situation, CCID Director Wang stated that China was very pleased that Ambassador Bosworth was in Pyongyang, noting that the visit would be "cost effective" because the North Koreans had made clear there could be no resuming the Six-Party Talks without first convening a bilateral U.S.-DPRK dialogue. Ambassador Bosworth’s visit effectively "kicked the ball" back to the North Koreans. When asked what the likely outcome of the talks would be, Wang said the ideal outcome would be a meeting with Kim Jong-il, which would send a very positive signal, but it was impossible to predict North Korean behavior through "normal" means of reading public indicators. Wang said that Ambassador Bosworth would likely meet with First Vice Foreign Minister Kang Sok-ju, who was “a hardliner” with "strong views" and whose opinions were valued by the DPRK’s top leaders. However, Kang had to follow orders from above, Wang noted, and would not want to lose such an opportunity to improve relations with the United States. The negotiations with Ambassador Bosworth would be a bargaining process, with each side trying to discern the other’s bottom line.

4. (C) The North needed a breakthrough in its relations with the United States, Wang asserted, both because of its domestic situation and the current international environment, but it would not be easy for North Korea to make a specific promise regarding a return to the Six-Party Talks or to announce denuclearization. Ambassador Bosworth’s trip itself was important because it demonstrated that the United States was serious about preventing a nuclear Korean peninsula and was committed to a peaceful resolution of the issue. Wang said China was aware that the United States worried that it would be deceived by the North but in China’s view there was no need to worry because the current process of promoting dialogue and negotiations was quite transparent and the international community would know what the outcome would be.

5. (C) Wang reiterated China’s long-standing position that the key objective at this stage was to prevent the situation on the Korean peninsula from spinning out of control and to establish a positive direction through dialogue and negotiation. He said that Ambassador Bosworth should make clear to North Korea that it was not in U.S. interests to prolong the current state of hostility, that the United States had no intention of promoting regime change in the North, and that international sanctions and relations with the DPRK’s neighbors could be changed and they could help with North Korea’s economic development. This was contingent upon a change in North
Korean behavior and an eventual North Korean pledge to the world that it would not embark on the road to nuclear weapons. **U/S Burns** responded that the **United States understood the complexity of the situation and emphasized the great importance of joint U.S.-China and Five-Party efforts to bring North Korea back as soon as possible to the Six-Party Talks and its denuclearization commitments.**

HUNTSMAN

**C O N F I D E N T I A L SEOUL 000062**

SIPDIS

**EO 12958 DECL: 01/14/2030**

**TAGS** PHUM, PREL, PGOV, PINR, SOCI, ECON, KN, KS, CH

**SUBJECT: SPECIAL ENVOY KING’S 1/11 MEETING WITH FM YU**

Classified By: Ambassador D. Kathleen Stephens. Reasons 1.4 (b/d).

Summary

South Korea’s foreign minister tells American diplomats that Kim Jong-il will soon visit China to seek assistance and backing for his plan to anoint his youngest son as his political heir. Minister YU says Kim also needs Chinese economic aid and political help to deal with an increasingly “chaotic” situation at home. Key passage highlighted in yellow.

Summary

1. (C) During a January 11 meeting with Special Envoy Robert King, FM Yu downplayed press speculation that a North-South summit is imminent. Yu asserted that Kim Jong-il (KJI) would visit China in late January or early February; the North Korean leader needed both Chinese economic aid and political support to stabilize an “increasingly chaotic” situation at home. An unspecified number of high-ranking North Korean officials had recently defected to the ROK, according to Yu. The foreign minister thanked King for his willingness to press the PRC on the treatment of North Korean refugees. Yu said the ROK would provide "significant" food aid to the DPRK if Pyongyang asked for it and agreed to monitoring. The ROK also planned to help fund work by NGOs to combat TB and multi-drug-resistant TB in the North, which has spread widely within the DPRK’s chronically malnourished population. At a lunch following the meeting, Seoul’s point man on DPRK issues, Ambassador Wi Sung-lac, reiterated the FM’s call for U.S. help in persuading China to go easier on North Korean refugees. Wi also thanked Ambassador King for his willingness to keep the ROK updated on discussions between the American Red Cross and its DPRK counterpart regarding potential reunions between Korean-Americans and their North Korean kin.

End summary.

FM Yu on: Prospects for North-South Summit...

2. (C) During a **January 11 meeting with Special Envoy for North Korean Human Rights Issues Robert King**, Foreign Minister Yu Myung-hwan downplayed press speculation that a North-South summit is imminent. **The ROK was discussing the**
issue with the DPRK, Yu said, noting that there were two major Blue House preconditions: the nuclear issue had to be on the agenda and the ROK would not pay the North to hold a summit. Yu speculated that it would "take some time" for the North Koreans to "digest" the preconditions.

Rumors of a KJI Visit to China...

3. (C) Yu asserted that Kim Jong-il (KJI) would visit China in late January or early February. The North Korean leader had visited the PRC twice before in that timeframe, Yu related, adding that KJI needed both Chinese economic aid and political support to stabilize an "increasingly chaotic" situation at home. In particular, FM Yu claimed that the North's botched currency reform had caused "big problems" for the regime and that the power succession from KJI to Kim Jong-eun was "not going smoothly." Moreover, Yu confided, an unspecified number of high-ranking North Korean officials working overseas had recently defected to the ROK. (Note: Yu emphasized that the defections have not been made public. End note.)

Pressuring Beijing on Refugees...

4. (C) Yu thanked Ambassador King for stating that he intended to work closely with the ROK on the issue of improving human rights conditions in North Korea. Yu also expressed appreciation for Ambassador King's willingness to engage the Chinese on the issue of North Korean refugees. Yu said he has repeatedly raised the matter with PRC FM Yang, only to get a boilerplate response emphasizing that North Koreans in China are economic migrants. Yu claimed that the number of North Koreans fleeing into China XXXXXXXXXX continues to increase; 2,952 North Koreans made it to the ROK in 2009 and more than that are expected in 2010. Yu noted that at least 80 percent of the refugees who come to the South are women, adding that they are often abused by human traffickers. XXXXXXXXXX Yu added that he was skeptical that the DPRK would engage in dialogue with the EU about human rights.

and Humanitarian Assistance to the North

5. (C) Responding to a question from Ambassador King, Yu said the North Korean grain harvest was approximately 4 million metric tons (MMT), which was better than expected but still short of the 4.5 MMT the regime needs to ensure stability. (Note: The official ROKG estimate is that the DPRK harvest was approximately 5 MMT. End note.) Given the North's chronic transportation and storage problems, there would be starvation "here and there" during the spring, Yu lamented. The foreign minister said the ROK would be willing to provide "significant" food aid to the DPRK if Pyongyang asked for it and agreed to monitoring. The ROK would not, Yu said, simply give the North a huge amount of grain. Any aid would be given in small amounts, he stressed. The foreign minister also said the ROK would help fund work by NGOs to combat multi-drug-resistant TB in the North, which has spread widely within the DPRK's chronically malnourished population.

Follow-On Lunch with XXXXXXXXXX
6. (C) At a lunch following the meeting with XXXXXXXXXX reiterated the FM’s call for the United States to XXXXXXXXXX.

7. (C) XXXXXXXXXX thanked Ambassador King for his willingness to keep the ROK updated on discussions between the American Red Cross and its DPRK counterpart regarding potential reunions between Korean-Americans and their relatives in North Korea. XXXXXXXXXX said that North Korea has made only token efforts to support North-South family reunions and has “reacted badly” to Seoul’s repeated calls for the release of the approximately 1,000 abductees and POWs believed to be still held by the DPRK. XXXXXXXXXX stressed that Seoul appreciated Ambassador King’s effort to keep the family reunion, abductee, and POW issues on the proverbial agenda. STEPHENS

WikiLeaks cable: Thursday, 18 February 2010, 04:57
CONFIDENTIAL SEOUL 000248
SIPDIS
EO 12958 DECL: 02/18/2035
TAGS PREL, PHUM, PGOV, SOCI, KN, KS, CH
SUBJECT: A/S CAMPBELL DISCUSS DPRK FUTURE WITH EXPERTS
Classified By: AMB D. Kathleen Stephens. Reasons 1.4 (b/d).

Summary

Kurt Campbell, the senior US diplomat for east Asia, seeks the views of five regional experts on North Korea. If they agree on anything at all, it is that the situation in the DPRK is totally unpredictable and the succession process could yet turn violent. Key passage highlighted in yellow.

SUMMARY

1. (C) A group of five ROK opinion leaders and experts on North Korea issues told A/S Kurt Campbell on February 3 it was difficult to predict whether Kim Jong-il’s youngest son Kim Jong-un would be able to succeed his father without sparking instability in the North. Of the five experts, one thought the younger Kim might succeed and one argued his lack of leadership experience made it unlikely he would win the support of the ruling elites. They agreed that Kim Jong-il’s brother-in-law Jang Song-taek would prove a strong rival for the younger Kim and would probably be tempted to challenge him. Kim Jong-il had used draconian controls and international aid to discourage coups after having foiled three such attempts in the late 90s. China’s strategic interests were fundamentally at odds with U.S.-ROK interests in North Korea. End Summary.

Succession in Progress

2. (C) Assistant Secretary Kurt Campbell met on February 3 with Korean opinion leaders with a keen interest in DPRK issues to hear their views on the future of North Korea. The experts agreed that regime succession was fully underway and that the North Korean people had accepted the process. XXXXXXXXXX said a North Korean diplomat based in Beijing had told him over the phone that morning that the
DPRK Foreign Ministry had instructed all of its overseas missions to "lay the foundation for leadership change in Pyongyang." Most of the experts believed the challenge for Kim Jong-il’s youngest son and designated heir, Kim Jong-un, would most likely come after his father died. XXXXXXXXXX recalled the Chosun Dynasty’s 500 year history in which political intrigue and tension might simmer for years, but tended to erupt only after the king died. 3. (C) The group agreed that Kim Jong-il’s brother-in-law and right-hand man Jang Song-taek was spearheading the succession drive and would be a rival for power once Kim Jong-un’s father died, but the group was split on the younger Kim’s prospects for holding onto power. XXXXXXXXXX believed it would be difficult for Jang to wrest power from the younger Kim once the succession process was complete. XXXXXXXXXX suggested it was unclear whether Jang would be content to control the younger Kim from behind the curtain, or would challenge him directly for outright control. XXXXXXXXXX

Doubts About Younger Kim’s Experience

4. (C) There were many reasons to doubt that Kim Jong-un would be able to successfully fend off challenges to his control after his father died. XXXXXXXXXX noted that Kim Jong-il had twenty years of experience as an official of the Korean Workers’ Party before his father died. Furthermore, Kim Jong-il had the benefit of years of guidance from his father after he had been officially anointed in 1980 to eventually succeed him. By contrast, Kim Jong-un had very limited experience and might not get much direct guidance before Kim Jong-il dies. Even now, XXXXXXXXXX believed it was not clear that Kim Jong-il’s health was good enough to exercise the faculties necessary for day-to-day management of state affairs. Given the limited opportunity the younger Kim had to gain experience, XXXXXXXXXX doubted his ability to solidify his position in the Party and win the unwavering support of Pyongyang’s power elites. XXXXXXXXXX recalled the tumultuous state of affairs in the ROK following the death of President Park Chung Hee in 1979 and suggested the DPRK succession would be "100 times more troublesome." XXXXXXXXXX

Tight Control and Aid Kept Regime Afloat

5. (C) XXXXXXXXXX opined that brutal repression and international aid had been the secrets of Kim Jong-il’s ability to fend off challenges. After three separate coup attempts in the 90s, Kim Jong-il had implemented very strict controls and sent a stern warning to would-be plotters by executing anyone who had been even remotely involved in the plots. Therefore, only the military could even dare consider rising up, but the Security Services had successfully kept the military in check. XXXXXXXXXX went on to suggest that the "indulgence" of the international community over the past ten years had also helped sustain the regime. The large-scale assistance provided to the regime by the ROK, China, the U.S., Japan and others had been intended in part to avoid a hard landing, and indeed had kept the regime afloat, he said. [Name removed] suggested that North Korea had skillfully played Washington and Beijing off one another.XXXXXXXX believed that the DPRK had exploited large amounts of assistance from China, taking advantage of a situation in which
Beijing was presumed by Washington to have significant influence over Pyongyang.

China Complicates the Endgame

6. (C) The experts agreed that China’s obsession with DPRK stability at all costs, was clearly and fundamentally at odds with U.S. and ROK interests. Given a choice between reaching out to Seoul or Beijing, [name removed] believed that Pyongyang elites would reflexively look to China for support if they believed they needed help in maintaining stability. The Seoul option would be unacceptable because of the U.S.-ROK alliance and concerns over becoming subservient to Seoul. China, on the other hand, would gladly provide support with few or no strings attached, just to maintain the DPRK as an independent entity, XXXXXXXXXX maintained.

7. (C) XXXXXXXXXXX noted that although Washington had a keen interest in both denuclearization and human rights, the U.S. stake in North Korea was minimal compared to that of China by virtue of its proximity to the North. China did not share American perspectives on these two key issues, considering them somewhat abstract. Rather, Beijing was concerned about what it considered to be more concrete issues, such as a potential flood of “economic migrants” and broader social unrest on its immediate border. Reaching the People and Close Cooperation are Key

8. (C) Negating Chinese influence over the long term, [Name removed] observed, would involve close U.S.-ROK cooperation in winning the hearts and minds of the North Korean people. XXXXXXXXXX STEPHENS

WikiLeaks cable: Monday, 22 February 2010, 08:54

Summary

In discussions with American officials, South Korea’s National Security Adviser Kim Sung-hwan points to growing instability inside North Korea, including reports of possible armed resistance to the regime. Key passage highlighted in yellow.

Summary

1. (C) During a February 3 meeting, National Security Adviser Kim Sung-hwan told EAP Assistant Secretary Campbell the ROKG wished to have discussions with Washington about delaying the planned transfer of wartime operation control to Korea. Kim agreed that turbulence in Sino-American relations meant Beijing would be hesitant to call a new round of the Six Party Talks. It was encouraging, however, that veteran DPRK negotiator Kim Gye-gwan was slated to visit Beijing next week. NSA Kim asserted that Kim Jong-il needed to visit China soon in order to get more
economic assistance, as the DPRK's internal situation appeared to be significantly more unstable. NSA Kim acknowledged it was important to reach out directly to key DPJ officials like Foreign Minister Okada and Finance Minister Kan. The North Koreans, Kim said, were clearly using several different channels to “knock on the DPJ’s door.” President Lee may visit a Korean factory in the United States to help sell KORUS to the American public. Kim suggested that President Obama and President Lee pay a joint visit to the Korean War Memorial in Washington to commemorate the 60th anniversary of the Korean War. Campbell asked for ROK understanding for U.S. plans to resume MIA remains recovery operations in North Korea. Kim emphasized that President Lee would never “buy” a summit with Pyongyang. End summary.

OPCON Transfer

2. (C) During a February 3 meeting with Assistant Secretary for East Asian and Pacific Affairs Kurt Campbell, ROK National Security Adviser Kim Sung-hwan said he wished to have discussions with the USG on the planned April 2012 transfer of wartime operation control (OPCON) to Korea. Kim agreed with Campbell’s observation that it was important for the Korean public to understand that any change that may be considered concerning OPCON transfer timing, and the U.S. Quadrennial Defense Review, would not diminish America’s commitment to the ROK’s security, and should not be so interpreted.

China Unlikely to Call New 6PT Round

3. (C) NSA Kim agreed with Campbell’s observation that the current turbulence in Sino-American relations meant Beijing would be hesitant to call a new round of the Six Party Talks (6PT) anytime soon. Referring to POTUS’ upcoming meeting with the Dalai Lama, Kim said the Chinese were “far too sensitive” about the Tibetan spiritual leader’s meetings with foreign officials. A few years ago, Kim related, the PRC had crudely pressured the ROK government into canceling a planned speech by the Dalai Lama at a Buddhist conference on Cheju Island.

4. (C) NSA Kim said he was encouraged by reports that veteran DPRK negotiator Kim Gye-gwan was slated to visit Beijing next week at the invitation of Chinese 6PT chief Wu Dawei. NSA Kim said he understood Kim Gye-gwan might also visit New York. Campbell noted it was important for the DPRK authorities to hear from the Five Parties that Pyongyang’s attempt to shift the focus from denuclearization to a peace treaty was not working.

KJI China Trip and Deteriorating Conditions Inside DPRK

5. (C) NSA Kim asserted that North Korean leader Kim Jong-il needed to visit China soon in order to get more economic assistance. The PRC was in the process of delivering a portion of the food aid promised during Premier Wen’s visit to the DPRK last fall; approximately 6,000 metric tons (MT) of rice and 20,000 MT of soybeans has been delivered, but the DPRK needed a lot more. The situation inside North Korea, he added, appeared increasingly unstable. The North’s currency replacement had created strong resentment throughout DPRK society, Kim said, adding that DPRK Finance Chief Pak Nam-gi had apparently been sacked.
asserted there were credible reports of unrest in the North; according to ROK intelligence sources, DPRK police recently found a bomb on a passenger train en route from Pyongyang to Beijing.

U.S.-Japan Relations

6. (C) Kim concurred with Campbell's assessment that the DPJ was "completely different" from the LDP and agreed it was important for the DPJ to coordinate with Seoul and Washington as it made preliminary overtures to Pyongyang. The North Koreans, Kim said, were clearly using several different channels to "knock on the DPJ's door." Kim acknowledged Campbell's point that it was important to reach out directly to key DPJ officials like Foreign Minister Okada and Finance Minister Naoto Kan.

FTA Prospects

7. (C) It was the ROK government's view, Kim said, that there might be a window of opportunity to pass KORUS immediately after the U.S. Congressional elections this fall. Kim added that the ROK Embassy in Washington was working on a possible FTA event for President Lee during his upcoming trip to the United States for the nuclear summit. One idea, Kim explained, was to have President Lee visit a Korean factory to help underscore to the American public that the FTA was about creating jobs in America as well in Korea. Campbell praised ROK Ambassador Han Duck-soo for his public outreach on KORUS and noted that the U.S. business community needed to "stop being lazy" and help get KORUS through Congress.

Korean War Memorial Visit

8. (C) NSA Kim asked if, during the April nuclear summit in Washington, it would be possible to have POTUS and President Lee pay a joint visit to the Korean War Memorial. Campbell acknowledged the powerful symbolism for both the Korean and American audience of such a visit during the 60th anniversary of the Korean War, but cautioned that it would be extremely difficult to arrange during the nuclear summit.

MIA Remains Recovery in North Korea

9. (C) Campbell asked for ROK understanding about the U.S. position on resuming MIA remains recovery operations in North Korea. The USG felt strongly, Campbell explained, that this was an important humanitarian issue. Campbell stressed that the U.S. would coordinate closely with the ROK on the issue to "avoid sending the wrong signal" to the DPRK. Pressed by Kim about paying the North Koreans cash to help recover U.S. remains, Campbell agreed it was distasteful; he noted, however, that the United States had made similar payments to the Burmese and Vietnamese governments to facilitate cooperation on MIA issues.

Prospects for a North-South Summit
10. (C) On prospects for a North-South summit, NSA Kim clarified remarks that President Lee made in an interview with the BBC in Davos. Kim said that, beginning last fall, the ROK has had contact with the DPRK about a summit. The North, however, has demanded that Seoul provide a certain amount of economic aid prior to any summit. That precondition was unacceptable, Kim stressed, noting that the Blue House had emphasized to the ROK press this week that President Lee would never "buy" a summit with the North. STEPHENS

Wikileaks cable: Monday, 22 February 2010, 09:32
S E C R E T SEOUL 000272
SIPDIS
EO 12958 DECL: 02/22/2034
TAGS PREL, PGOV, KNNP, ECON, SOCI, KS, KN, JA, CH
SUBJECT: VFM CHUN YOUNG-WOO ON SINO-NORTH KOREAN RELATIONS
Classified By: AMB D. Kathleen Stephens. Reasons 1.4 (b/d).

Summary

2. South Korea’s vice Foreign Minister Chun Yung-woo tells the Americans that senior Chinese officials have told him that China is fed up with the North Korean regime’s behaviour and would not oppose Korean reunification. Chun says North Korea has already collapsed economically and will collapse politically when Kim Jong-il dies. Key passage highlighted in yellow.

Summary

1. (S) Vice Foreign Minister Chun Yung-woo told the Ambassador February 17th that China would not be able to stop North Korea’s collapse following the death of Kim Jong-il (KJI). The DPRK, Chun said, had already collapsed economically and would collapse politically two to three years after the death of Kim Jong-il. Chun dismissed ROK media reports that Chinese companies had agreed to pump 10 billion USD into the North’s economy. Beijing had “no will” to use its modest economic leverage to force a change in Pyongyang’s policies -- and the DPRK characterized as “the most incompetent official in China” -- had retained his position as chief of the PRC’s 6PT delegation. Describing a generational difference in Chinese attitudes toward North Korea, Chun claimed XXXXXXXXXX believed Korea should be unified under ROK control. Chun acknowledged the Ambassador’s point that a strong ROK-Japan relationship would help Tokyo accept a reunified Korean Peninsula. End summary.

VFM Chun on Sino-North Korean Relations...

2. (S) During a February 17 lunch hosted by Ambassador Stephens that covered other topics (septel), ROK Vice Foreign Minister and former ROK Six-Party Talks (6PT) Head of Delegation Chun Yung-woo predicted that China would not be able to stop North Korea’s collapse following the death of Kim Jong-il (KJI). The DPRK,
Chun said, had already collapsed economically; following the death of KJI, North Korea would collapse politically in "two to three years." Chun dismissed ROK media reports that Chinese companies had agreed to pump 10 billion USD into the North's economy; there was "no substance" to the reports, he said. The VFM also ridiculed the Chinese foreign ministry's " briefing" to the ROK embassy in Beijing on Wang Jiarui's visit to North Korea; the unidentified briefer had "basically read a Xinhua press release," Chun groused, adding that the PRC interlocutor had been unwilling to answer simple questions like whether Wang had flown to Hamhung or taken a train there to meet KJI.

3. (S) The VFM commented that China had far less influence on North Korea "than most people believe." Beijing had "no will" to use its economic leverage to force a change in Pyongyang's policies and the DPRK leadership "knows it." Chun acknowledged that the Chinese genuinely wanted a denuclearized North Korea, but the PRC was also content with the status quo. Unless China pushed North Korea to the "brink of collapse," the DPRK would likely continue to refuse to take meaningful steps on denuclearization.

4. (S) Turning to the Six Party Talks, Chun said it was "a very bad thing" that Wu Dawei had retained his position as chief of the PRC's delegation. XXXXXXXXXX said it appeared that the DPRK "must have lobbied extremely hard" for the now-retired Wu to stay on as China's 6PT chief. [NAME REMOVED] complained that Wu is the PRC's an arrogant, Marx-spouting former Red Guard who "knows nothing about North Korea, nothing about nonproliferation and is hard to communicate with because he doesn't speak English." Wu was also a hardline nationalist, loudly proclaiming -- to anyone willing to listen -- that the PRC's economic rise represented a "return to normalcy" with China as a great world power.

China's "New Generation" of Korea-Hands...

5. (S) Sophisticated Chinese officials XXXXXXXXXX stood in sharp contrast to Wu, according to VFM Chun.XXXXXXXX Chun claimed XXXXXXXXXX believed Korea should be unified under ROK control.XXXXXXXX, Chun said, were ready to "face the new reality" that the DPRK now had little value to China as a buffer state -- a view that since North Korea's 2006 nuclear test had reportedly gained traction among senior PRC leaders.

PRC Actions In A DPRK Collapse Scenario...

6. (S) Chun argued that, in the event of a North Korean collapse, China would clearly "not welcome" any U.S. military presence north of the DMZ. XXXXXXXX Chun XXXXXXXX said the PRC would be comfortable with a reunified Korea controlled by Seoul and anchored to the United States in a "benign alliance" -- as long as Korea was not hostile towards China. Tremendous trade and labor-export opportunities for Chinese companies, Chun said, would also help salve PRC concerns
about living with a reunified Korea. Chun dismissed the prospect of a possible PRC military intervention in the event of a DPRK collapse, noting that China's strategic economic interests now lie with the United States, Japan, and South Korea—not North Korea. Moreover, Chun argued, bare-knuckle PRC military intervention in a DPRK internal crisis could "strengthen the centrifugal forces in China's minority areas."

...and Japan

7. (S) Chun acknowledged the Ambassador's point that a strong ROK-Japan relationship would help Tokyo accept a reunified Korean Peninsula under Seoul's control. Chun asserted that, even though "Japan's preference" was to keep Korea divided, Tokyo lacked the leverage to stop reunification in the event the DPRK collapses. STEVENS (Guardian, US Embassy Cables, November 29, 2010)

Following the end of the four-day “high-intensity” joint naval exercise by the United States and South Korea in the West Sea, allied forces are bracing for further provocative acts by North Korea. The concern comes as South Korea's marines are considering holding a live-fire exercise next week. The November 23 shelling of Yeonpyeong Island occurred after the South held such a drill near the Northern Limit Line (NLL), the de facto sea border in the West Sea. After the joint exercise, the South Korean military will remain on the highest alert, according to the JCS. Col. Kim Young-cheol at the JCS operations bureau told reporters that military authorities of the South and United States were in consultations to hold more joint naval drills in waters west of the Korean Peninsula, in an effort to deter Pyongyang's provocative actions. "We have been in consultations with the U.S. to carry out several joint military drills to deal with provocation by the enemy later this month or early next year," Kim said. "The timing and participating assets have yet to be decided." (Jung Sung-ki, “Allies Brace for N. Korean Provocation after 4-Day Exercise,” Korea Times, December 1, 2010)

Expressing skepticism over the resumption of the stalled six-party talks, a top North Korean military official has warned that Pyongyang will continue to conduct armed provocations against South Korea. "Ri Yong-ho, chief of the Korean People's Army General Staff, appeared on Channel 3 on Nov. 25, two days after the attack on Yeonpyeong Island. He said the North has made sincere efforts in participating in the six-ways talks, but the international community has been indifferent," Kim Heung-kwang, founder of North Korea Intellectuals Solidarity, was quoted as saying by Yonhap. (Lee Tae-hoon, "Top North Korean Military Official Refutes Talks, Warns of More Attacks," Korea Times, December 1, 2010)

China's foreign minister called for all parties involved in the Korean peninsula crisis to avoid actions that "inflame the situation", state-run Xinhua news agency said. The comments came as the US and South Korean navies ended a major exercise in the Yellow Sea. "The parties concerned should keep calm and exercise restraint, and work to bring the situation back onto the track of dialogue and negotiation," the agency quoted Foreign Minister Yang Jiechi as saying. "China decides its position based on the merits of each case and does not seek to protect any side," Yang was quoted as saying. China voiced strong opposition to the four days of joint US-South Korean
exercises, as it typically does for such manoeuvres in the Yellow Sea, which it considers its backyard. "Showing power and confrontation is not a solution to problems and not in the interests of related parties," Yang said. "Stability on the Korean peninsula is conducive to all. Chaos there is detrimental to all." Yang also said ties between the United States and China in the Asia-Pacific region should be "cooperative and win-win." He said, "It is important to note that China-US relations in the Asia-Pacific region should be cooperative and win-win, not a zero-sum game." (AFP, “Escalation of Korean Tensions Must Be Prevented: China,” December 1, 2010)

Over an official lunch in late February, a top South Korean diplomat confidently told the American ambassador, Kathleen Stephens, that the fall would come “two to three years” after the death of Kim Jong-il, the country’s ailing leader, Stephens later cabled Washington. A new, younger generation of Chinese leaders “would be comfortable with a reunited Korea controlled by Seoul and anchored to the United States in a benign alliance,” the diplomat, Chun Yung-woo, predicted. But if Seoul was destined to control the entire Korean Peninsula for the first time since the end of World War II, China – the powerful ally that keeps the North alive with food and fuel – would have to be placated. So South Korea was already planning to assure Chinese companies that they would have ample commercial opportunities in the mineral-rich northern part of the peninsula. As for the United States, the cable said, “China would clearly ‘not welcome’ any U.S. military presence north of the DMZ,” the heavily mined demarcation line that now divides the two Koreas. This trove of cables ends in February. The documents help explain why some South Korean and American officials suspect that the military outbursts may be the last snarls of a dying dictatorship. They also show that talk of the North’s collapse may be rooted more in hope than in any real strategy: similar predictions were made in 1994 when the country’s founder, Kim Il-sung, suddenly died. The cables reveal that in private, the Chinese, long seen as North Korea’s last protectors against the West, occasionally provide the Obama administration with colorful assessments of the state of play in North Korea. Chinese officials themselves sometimes even laugh about the frustrations of dealing with North Korean paranoia. In April 2009, just before a North Korean nuclear test, He Yafei, the Chinese vice foreign minister, told American officials at a lunch that the country wanted direct talks with the United States and to get them was acting like a “spoiled child” to get the attention of the “adult.” When James B. Steinberg, the deputy secretary of state, sat down in September 2009 with one of China’s most powerful officials, Dai Bingguo, state councilor for foreign affairs, Dai joked that in a recent visit to North Korea he “did not dare” to be too candid with the ailing and mercurial North Korean leader. But the Chinese official reported that although Kim Jong-il had apparently suffered a stroke and had obviously lost weight, he still had a “sharp mind” and retained his reputation among Chinese officials as “quite a good drinker.” (Kim apparently assured Dai during a two-hour conversation in Pyongyang, the capital, that his infirmities had not forced him to give up alcohol.) But reliable intelligence about Kim’s drinking habits, it turns out, does not extend to his nuclear program, about which even the Chinese seem to be in the dark. On May 13, 2009, as American satellites showed unusual activity at North Korea’s nuclear test site, officials in Beijing said they were “unsure” that North Korean “threats of another nuclear test were serious.” As it turns out, the North Koreans detonated a test bomb just days later. Soon after, Chinese
officials predicted that negotiations intended to pressure the North to disarm would be “shelved for a few months.” They have never resumed. The cables also show that almost as soon as the Obama administration came to office, it started raising alarms that the North was buying up components to enrich uranium, opening a second route for it to build nuclear weapons. (Until now, the North’s arsenal has been based on its production of plutonium, but its production capacity has been halted.) In June 2009, at a lunch in Beijing shortly after the North Korean nuclear test, two senior Chinese Foreign Ministry officials reported that China’s experts believed “the enrichment was only in its initial phases.” In fact, based on what the North Koreans revealed this month, an industrial-scale enrichment plant was already under construction. It was apparently missed by both American and Chinese intelligence services. The cables make it clear that the South Koreans believe that internal tensions in the North have reached a boiling point. In January of this year, South Korea’s foreign minister, who later resigned, reported to a visiting American official that the South Koreans saw an “increasingly chaotic” situation in the North. In confidence, he told the American official, Robert R. King, the administration’s special envoy for North Korean human rights issues, that a number of “high-ranking North Korean officials working overseas” had recently defected to the South. Those defections were being kept secret, presumably to give American and South Korean intelligence agencies time to harvest the defectors’ knowledge. But the cables also reveal that the South Koreans see their strategic interests in direct conflict with China’s, creating potentially huge diplomatic tensions over the future of the Korean Peninsula. The South Koreans complain bitterly that China is content with the status quo of a nuclear North Korea, because they fear that a collapse would unleash a flood of North Korean refugees over the Chinese border and lead to the loss of a “buffer zone” between China and the American forces in South Korea. At one point, Ambassador Stephens reported to Washington, a senior South Korean official told her that “unless China pushed North Korea to the ‘brink of collapse,’ ” the North would refuse to take meaningful steps to give up its nuclear program. Chun, now the South Korean national security adviser, complained to Ambassador Stephens during their lunch that China had little commitment to the multination talks intended to force North Korea to dismantle its nuclear arsenal. The Chinese, he said, had chosen Wu Dawei to represent Beijing at the talks. According to the cable, Chun called Wu the country’s “most incompetent official,” an arrogant, Marx-spouting former Red Guard who “knows nothing about North Korea, nothing about non-proliferation.” But the cables show that when it comes to the critical issue of succession, even the Chinese know little of the man who would be North Korea’s next ruler: Kim Jong-un. As recently as February 2009, the American Consulate in Shanghai—a significant collection point for intelligence about North Korea—sent cables reporting that the Chinese who knew North Korea best disbelieved the rumors that Kim Jong-un was being groomed to run the country. Several Chinese scholars with good contacts in the North said they thought it was likely that “a group of high-level military officials” would take over, and that “at least for the moment none of KJI’s three sons is likely to be tapped to succeed him.” The oldest son was dismissed as “too much of a playboy,” the middle son as “more interested in video games” than governing. Kim Jong-un, they said, was too young and inexperienced. But within months, a senior Chinese diplomat, Wu Jianghao, was telling his American counterparts that Kim Jong-il was using nuclear tests and missile launchings as part of
an effort to put his third son in place to succeed him, despite his youth. "Wu opined that the rapid pace of provocative actions in North Korea was due to Kim Jong-il’s declining health and might be part of a gambit under which Kim Jong-il would escalate tensions with the United States so that his successor, presumably Kim Jong-un, could then step in and ease those tensions," the embassy reported back to Washington in June 2009. But carrying out plans for an easy ascension may be more difficult than expected, some are quoted as saying. In February of this year the American Consulate in Shenyang reported rumors that Kim Jong-un “had a hand” in the decision to revalue the North’s currency, which wiped out the scarce savings of most North Koreans and created such an outcry that one official was executed for his role in the sudden financial shift. The cables also describe secondhand reports of palace intrigue in the North, with other members of the Kim family preparing to serve as regents to Kim Jong-un – or to unseat him after Kim Jong-il’s death. (David E. Sanger, “North Korea Keeps World Guessing,” New York Times, November 30, 2010, p. A-1)

South Korea and the U.S. staged a naval exercise to enhance their abilities to stop the trafficking of weapons of mass destruction today, the third day of their four-day exercise in the West Sea. “Under the scenario in which a ship suspected of carrying WMDs is caught passing at high seas, the allied militaries will practice sharing intelligence on the ship and sending warships to interdict the vessel,” said an official at the Joint Chiefs of Staff in a press briefing. “It is a high-level tactical drill. We are to mobilize Lynx helicopters to check the maritime situation and keep vigilance while deploying high-speed naval ships and maritime special troops to seize and search the suspicious vessel.” Song Sang-ho, “Allies Conduct WMD-Interception Drills,” Korea Herald, November 30, 2010

The Foreign Ministry released a report Monday effectively acknowledging that Japan discussed the possibility of going nuclear with West Germany in 1969, despite issuing a key declaration in 1967 stating that it opposed the production, possession and presence of nuclear weapons. The report said that according to diplomatic papers from West Germany, Foreign Ministry officials met with their West German counterparts in the resort town of Hakone, Kanagawa Prefecture, from February 4 to 5, 1969, and hinted at possessing nuclear arms and sought support from West Germany. The ministry also questioned Egon Bahr, who was head of the German Foreign Ministry’s policy planning office and was at the 1969 meeting. As he told it, he heard the Japanese making a statement there suggesting Japan may try to get nuclear weapons, the ministry said. (Kyodo, “Tokyo Sought out Bonn on Going Nuclear in ’69,” Japan Times, November 30, 2010)

While North Korea’s state-run media continued to rage over the military exercises being held off the North’s coastline, saying the four days of drills that ended yesterday had brought the Korean Peninsula to “the brink of war,” much of daily life in the secretive North appeared remarkably normal, or at least what passes for normal. Accounts from the North reaching Seoul suggested that residents of Pyongyang, the North Korean capital, had been calmly discussing last week’s artillery duel with South Korea, foreigners living in the city were worrying about an escalation in
tensions with the South and the nation’s leader was celebrated for his legendary contributions to “the brilliant tradition of Korean dancing art.” Aid workers said their conversations with North Korean colleagues and clients suggested that the artillery battle was being seen as “business as usual, another incident of many that have been happening over many years,” said the foreigner, who requested anonymity for fear of angering the North Korean government. “Of course, people don’t know about the international response to the shelling, but it sounds like it feels like it’s ‘more of the same’ for these Koreans.” The foreigner said some expatriates working with charities and development agencies in the North had this response: “We have seen crises like this before, but we’re taking it very seriously. And this is the first time there have been civilian casualties, which ups the ante.” In a four-day visit, said the man, a Western scholar, there was only one brief power failure, and the huge statue of North Korea’s founding president, Kim Il-sung, remained lighted overnight in central Pyongyang. The North is chronically short of fuel and diesel oil, and many factories have been idled because of a lack of power and raw materials. A beer factory was operating, however, and the visitor pronounced the Taedong River beer, a local brand, “very drinkable.” Private stalls and markets in and around the capital “appeared to be thriving,” he added. After hearing complaints from factory managers and state economic planners, the scholar said any potential reform of the hyper-socialist economy in North Korea was being hamstrung by a range of sanctions by the United Nations, the United States and other nations. Most of the sanctions have been imposed over the North’s refusal to abandon its nuclear programs. “Sanctions have not changed behaviors of the elite, nor have they stopped the flow of luxury goods or cars to Pyongyang,” the foreigner said. “But for ordinary people, they have so very little to work with – tools, running water, medicines in clinics. Imports of any kind are just absent.” The foreigner said political isolation had been effective in shutting off North Koreans to most international commerce, from material goods to cultural influences to political ideas. “In some ways,” the foreigner said, “people here are so used to being without – without stuff, without validation, without contact to the outside world, without a set of standards about how things happen – that sanctions and isolation are normal. They feed a sense of victimhood, or at least underdog-ness, that justifies both the regime and attacks like the one we’ve just seen. “That said, every day I wake up and I can’t believe that my ‘normal’ is living in a dictatorship. I feel a mixture of sadness and frustration at what I observe.” (Mark McDonald, “Inside North Korea, 'Business as Usual,'" New York Times, December 2, 2010, A-12)

The Obama administration told the International Atomic Energy Agency that North Korea likely has built more than one uranium-enrichment facility, significantly raising the proliferation threat posed by the secretive communist state. U.S. and European officials are pressing the IAEA to better scrutinize Pyongyang’s potential role in sharing its nuclear technologies with third countries. But the U.N. agency’s ability to monitor Pyongyang is limited: North Korea kicked out the IAEA’s inspectors in 2009. The IAEA already is investigating evidence that North Korea transferred a nearly operational nuclear reactor to Syria, which Israeli jets subsequently destroyed in 2007. U.S. and U.N. officials now worry Pyongyang could begin exporting its advanced centrifuge equipment to its military allies in Iran and Myanmar. “A uranium enrichment capability in [North Korea] could bolster its pursuit of a weapons capability and increases our
concerns about prospects for onward proliferation of fissile material and of sensitive technologies,” Glyn Davies, the U.S. ambassador to the IAEA, told the agency’s 35-member board. Davies said the U.S. believes Pyongyang may have already developed uranium-enrichment facilities beyond the one site it showed a visiting American scientist, Siegried Hecker, last month. These additional facilities would allow North Korea to significantly increase its numbers of atomic weapons, as well as their yield. “It is likely that North Korea had been pursuing an enrichment capability long before the April 2009 date it now claims,” Mr. Davies said. “If so, there is a clear likelihood that DPRK has built other uranium enrichment-related facilities in its territory.” (Jay Solomon, “U.S. Sees Greater North Korea Nuclear Threat,” Wall Street Journal, December 3, 2010)

The defense minister-nominee, Kim Kwan-jin, vowed to use fighter jets to bomb North Korean targets in the event of an additional attack on South Korea, saying he considers the North Korean leadership and military as the country’s “main enemy.” He also defended Seoul’s decision in June to postpone regaining wartime operational control from the United States by more than three years to December 2015, alleging the country’s military needs enough time to fully prepare for the transfer. “Should the enemy attack our territory and people once again, we will fight back resolutely. I’ll order air strikes to completely remove the source of threats, if necessary,” Kim said during a confirmation hearing at the National Assembly. “What’s urgent now is to enhance combat readiness and build a strong military that is trusted by the people,” he said. (Na Jeong-ju, “Defense Chief-Nominee Vows Air Strikes If Attacked,” Korea Times, December 3, 2010) “We would definitely use the Air Force to strike back,” Kim said in response to a question at the hearing. During the Yeonpyeong attack, the military deployed its F-15K fighter jets, but it did not conduct an air strike against the North’s artillery sites for fear of escalating the situation. Kim said that the rules of engagement would be changed to strengthen South Korea’s right to self-defense. “Rules of engagement are valid as guidelines to prevent accidental clashes from escalating,” said Kim. “However, when a country is suddenly attacked, that’s a matter of self-defense. The enemy must be punished thoroughly until the source of hostility is eliminated.” Kim underscored the possibility that North Korea could strike again, repeating a similar warning this week by the director of the National Intelligence Service. “Up until now, North Korea has made provocations in ways that were difficult to foresee, and the provocations are getting larger in scale as they occur. There is a possibility that they will attack [again] in an unexpected way,” Kim said. “Including the five western border islands, I believe our entire country is a possible target for provocations. Attacks can be focused in one area, or they can happen at once in different regions. Preparations will be made for all possibilities.” A South Korean government source told JoongAng Ilbo that North Korea’s army had recently added around 100 more multiple-launch rockets and about 200 tanks along the inter-Korean border. “North Korea now has 5,200 rockets, where they had 5,100 before. At the locations where they have installed their artillery, it’s possible for North Korea to spring an attack toward the metropolitan area,” said the source. North Korea’s 240-millimeter multiple-launch rockets have a range of 60 kilometers (37.3 miles) and are said to be able to fire 12 to 22 rockets measuring 5 meters (16.4 feet) in rapid succession. (Christine Kim, “North Could Face Air Strikes Next,” JoongAng Ilbo, December 3,
The United States opposed the South Koreans’ plan to practice firing K-9 self-propelled howitzer guns from Yeonpyong Island in an apparent effort to control the escalation of tensions, (Dong-A Ilbo, December 3, 2010)

China has criticised a Japan-US military exercise and said its efforts to resolve tensions on the Korean peninsula were being condemned unfairly. Beijing reacted angrily to the latest US-led drill. The foreign ministry said: “Brandishing force cannot solve the issue. Some are playing with knives and guns, while China is criticised for calling for dialogue. Is that fair? The talks we propose are not a formal meeting so this dialogue should not be difficult.” Meanwhile, Wu Bangguo, head of the Chinese legislature and number two in the hierarchy of the Communist party, told North Korean officials that Beijing continued to support a close relationship with Pyongyang. In a front-page article in People’s Daily, he was quoted as saying: “The friendship of China and North Korea has withstood the tests of international tempests and changes and replenished over time.” Admiral Mike Mullen, chairman of the Joint Chiefs of Staff, has stepped up pressure on China to take a tougher line with North Korea, saying: “Beijing’s call for consultations will not substitute for action and I do not believe we should continue to reward North Korea’s provocative ... behaviour with bargaining or new incentives. China is uniquely placed to guide North Korea to a less dangerous place.” (Geoff Dyer, “Slighted Chinese Hit at U.S.-Japan Military Drill,” Financial Times, December 3, 2010, p. 5)

Among senior North Korea officials whose defection to the South was revealed by the WikiLeaks cables is Sol Jong-sik, the first secretary of the Youth League in North Korea’s Ryanggang Province. Sol fled the North in June last year, it emerged. Another is the chief of an overseas mission in Northeast Asia, who defected in the second half of last year. And a former head of a North Korean corporation charged with earning hard currency for the regime has also defected to Seoul. “Sol Jong-sik was one of the most prominent officials in their 30s and 40s who assumed key positions in Pyongyang and provincial regions after Kim Jong-un was designated as the heir apparent to the leadership last year,” a North Korean source said. The Youth League is a key social organization with a nationwide network. Many of the league’s senior members move on to key offices in the Workers Party. “Sol is interested in the outside world and likes South Korean TV dramas,” the source said. “I understand he fled the North due to a problem caused by these propensities.” (Chosun Ilbo, “Top-Level Defectors from N. Korea Identified,” December 3, 2010)

The United States and South Korea sealed a new free trade agreement Friday after a three-year stalemate on auto tariffs, creating a new centerpiece of President Barack Obama’s economic agenda. After nearly four days of talks in suburban Washington, negotiators cleared the main bottleneck to secure what would be the largest US trade pact since the North American Free Trade Agreement with Canada and Mexico in 1994. “We’ve made substantial progress in our discussions. It’s time now for the leaders to review this progress before we move forward,” Ron Kirk, the US Trade Representative, said in a statement after the talks. The South Korean embassy in Washington said the talks “have produced a substantial outcome on autos and other limited areas.” (AFP, U.S., S. Korea Clinch Trade Deal,” December 3, 2010)
A National Assembly audit in 2006 revealed how North Korea made money off South Korean broadcasters. A key example is the W1 billion (US$1=W1,149) that state-run South Korean broadcaster KBS gave North Korea in 2003 to record a TV show about a singing contest in Pyongyang to mark Liberation Day. In 2005, SBS gave W700 million in cash and W200 million worth of paint and other goods to North Korea for a concert in the North Korean capital by South Korean singer Cho Yong-pil, while in 2002, MBC paid the North W320 million in cash and provided 5,000 TV sets (worth W734 million) for two concerts in Pyongyang by South Korean singers Lee Mi-ja and Yoon Do-hyun. North Korea also received sizable amounts from South Korean businesses and civic groups through unofficial channels or backroom deals. "Many business owners in the South had problems managing their companies because North Korea habitually made excessive demands for money," said Cho Bong-hyun, a researcher at the Industrial Bank of Korea’s economic research center. This suggests that a considerable amount of bribes were paid. One South Korean owner of a garment company that was based in Pyongyang said, "Bribes South Korean businesses paid in the early stages to prevent any problems later became customary. After North Korean officials got a taste of the money, they ended up asking for bribes first." A Unification Ministry official said, "It's impossible to estimate how much money was given to North Korea through unofficial channels. We can't even trace the use of official government money given to North Korea, such as the $400,000 for building a video-link center for the family reunions, so there is no way of telling what happened to money handed over under the table." (Chosun Ilbo, “S. Korea Paid Astronomical Sums to N. Korea,” December 3, 2010)

“Next time the North attacks, there should be an immediate and properly measured asymmetric retaliatory military strike by South Korea,” said Burwell Bell, who served for two years as commander of the USFK before retiring in August 2008. “Allowing North Korea to attack the South with no counter-strike consequences sends a message of weakness and timidity to Kim Jong-il,” he added. “For now, the only way to respond to attacks by Kim Jong-il is with measured and focused steel and fire,” Bell told a security forum in Seoul. “As long as Kim Jong-il is in power, the six-party talks process is dead, and both the United States and the Republic of Korea should give the talks an official funeral,” Bell said. “China is culpable in the current crisis. They have failed in their role as responsible leaders in the region,” he said. “China is not being helpful in reinining in Kim Jong-il and his rogue regime. Indeed, China may be encouraging North Korea’s rogue behavior.” (Yonhap, “Former USFK Chief Urges ‘Asymmetric’ Retaliation for Future N.K. Provocations,” December 3, 2010)

North Korean trade with China has jumped 26.7 percent during the first eight months of the year, with the bulk of its imports made up of crude oil, and its largest export being coal. Despite the increasingly severe food shortages in the North, food imports from China were actually down 7.5 percent, while on the other hand, fertilizer imports shot up by 162 percent, according to the Korea Trade-Investment Promotion Agency (KOTRA). North Korean exports to China during the first eight months of the year were worth $650,000, 20.6 percent more than during the same period last year, while DPRK imported $1.345 billion worth of goods (30 percent increase), for trade worth a total of $1.995 billion, 26.7 percent more than 2009. “Mineral fuel and mineral oil” topped the list of North Korean imports ($321,000), with crude oil ($229,000) and oil ($63,000)
making up 90.7 percent of imported goods. However, while crude imports were 53 percent more expensive, the amount of oil imported only rose by 2.3 percent; the sharp increase in expenditure was due to climbing international oil prices. The second- and third-largest imports were listed as “nuclear reactor, boiler, and machinery” ($127,000) and “electromagnetic machinery, sound and video equipment” ($106,000). Other imports included cars and car parts, steel and steel goods, plastic and plastic goods, artificial filament, fertilizer, and grain. A KOTRA official stated that while “nuclear reactor” was listed among the goods imported by the North, there is no way to verify the Chinese statistics. North Korea’s grain import expenditures increased by five percent, to $34,000, but overall grain imports fell 7.5 percent, to 102,000 tons, due to increased costs. More specifically, rice import expenditures were up 8.4 percent to $16.6 million, but the amount of rice imported fell by six percent, to 38,400 tons. Corn expenditures dropped by one percent to $16.3 million while the amount imported fell by ten percent, to 62,000 tons. The cost of barley imports grew 190 percent, to $353,000 with the amount of barley brought into the country up 89 percent to 1,011 tons. 277,000 tons of fertilizer were imported, 162 percent more than last year, at a cost of $40 million, 85 percent more than 2009. Almost all of the fertilizer was nitrogenous. North Korea’s exports to China were made up largely of mining and fisheries. Coal topped the list ($191,000), although the amount sent across the border was 31 percent less than last year. Iron ore was second, and was not only down by 34 percent, it brought in 134 percent less than 2009, as it was worth only $111 million. Textiles and accessories worth $81 million, steel worth $64 million, and mollusks worth $32 million were also sent to China. (IFES, “DPRK-PRC Trade up 26.7 Percent,” December 3, 2010)

12/4/10

U.S. Secretary of State Hillary Clinton Friday expressed concerns that the nuclear weapons ambitions of North Korea and Iran will promote regional arms races. “What we object to is a pursuit of nuclear weapons that can be used to threaten and intimidate their neighbors and beyond,” Clinton told reporters after meeting with Bahraini Foreign Minister Sheikh Khalid Ahmed Al Khalifa in Manama, Bahrain, according to a transcript released by the State Department. “It, unfortunately, will spark arms races in both regions that will make both regions even more dangerous. That’s why we must stop it.” “We do not object to the peaceful use of nuclear power for generating energy,” Clinton said. “I think it’s important to recognize it’s not directed at the people of either country; it is a concern about decisions being made by the leaders of these countries that puts at risk the peace and stability of two regions of the world.” (Hwang Doo-hyung, “Clinton Expresses Concern about N. Korean Nukes Sparking Arms Race,” Yonhap, December 4, 2010)

South Koreans’ negative sentiment toward North Korea increased dramatically amid the sinking of the Cheonan warship and the North’s recent attack on Yeonpyeong Island, a joint survey commissioned by the JoongAng Ilbo, the Asia Research Institute and the East Asia Institute showed. The survey was conducted from October 22 to November 8 by Hankook Research, two weeks before the Yeonpyeong attack, and respondents were asked comprehensive questions in one-on-one interviews. The joint survey on South Korean sentiment toward North Korea was last done five years ago. In the survey conducted five years ago, only 15.3 percent of respondents said they
consider the North an enemy, but in this year’s survey, in which 1,019 South Koreans took part, **31.9 percent** of respondents said they think the North is their enemy. This year, 80.5 percent of respondents said they believe South and North Korea are separate countries, an increase of 2.8 percent from that of five years ago (77.7 percent). And the survey also showed that more South Koreans blame North Korea for the breakout of the Korean War (1950-53). In the 2005 survey, 61 percent of respondents said they blame the North for the war, but this year it went up to 79.2 percent. In response to a question on whether the South Korean government should provide more humanitarian aid to the North, **31.6 percent of respondents said Seoul should trim its aid to the North.** In the survey conducted five years ago, more people were against the idea of slashing humanitarian aid and only 27 percent of respondents supported the idea. When they were asked about the need for unification, 19.3 percent of respondents said there is “no need” to unite the two Koreas, more than a twofold increase from the 2005 survey (7.9 percent), while **23.5 percent said** there is no need to hasten unification (from 19.6 percent in the 2005 survey). In the 2005 survey, 17.4 percent of respondents said the South Korean government should hasten unification, but this figure went down to 10.4 percent in this year’s survey. Reuniting the two countries has become a hot topic after President Lee Myung-bak proposed creating a new tax to finance the cost of unification. But the survey showed South Koreans aren’t willing to sacrifice - **60.5 percent of respondents said they won’t pay unification costs, a two-fold increase.** (JoongAng Ilbo, “Negative View of North Increases Dramatically,” December 6, 2010)

**12/7/10**

NSC Senior Director for Asia Jeffry Bader: “In a heated discussion in mid-December, the Deputies Committee debated whether to try to persuade South Korea to abort the exercise … The South Koreans were considering retaliation well beyond a local response. They also seemed prepared to delegate authority to local commanders to undertake a disproportionate response that might have triggered a North Korean artillery barrage in populated areas. Some in the Deputies Committee argued that a live-fire exercise at that moment, when the U.S.S. George Washington was steaming into the Yellow Sea, was unacceptable and should not receive U.S. support of any kind. Others, while skeptical of the exercise’s value, felt everything possible should be done to ensure that the risk of escalation was limited, but that the United States could not fail to provide support for it. The latter view, which I favored, prevailed. ...Chairman of the Joint Chiefs of Staff Michael Mullen was sent to South Korea to deliver a message of strong U.S. support, while seeking to ensure that the South Korean operation did not lead to escalation.” (Jeffrey A. Bader, *Obama and China’s Rise: An Insider’s Account of America’s Asia Strategy* (Washington: Brookings, 2012), pp. 90-91)

**12/5/10**

The United States has stepped up diplomatic pressure on China by accusing its leaders of “enabling” North Korea to start a uranium-enrichment program and to launch attacks on South Korea, a senior U.S. administration official said this weekend. In response to the North Korean moves and apparent Chinese acquiescence, Washington is moving to redefine its relationship with South Korea and Japan, potentially creating an anti-China bloc in Northeast Asia that officials say they don’t want but may need. In meetings with their Chinese counterparts in Beijing and in Washington since North Korea launched a deadly artillery barrage at a South Korean
island on November 23, U.S. officials have charged that China is turning a blind eye to North Korean violations of U.N. Security Council resolutions, international agreements and a 1953 armistice halting the Korean War that China helped to negotiate. The accusations mark a further deterioration of the tone and direction of the U.S. relationship with Asia's emerging giant and come as both countries prepare for a second summit next month between President Obama and his Chinese counterpart, Hu Jintao. "The Chinese embrace of North Korea in the last eight months has served to convince North Korea that China has its back and has encouraged it to behave with impunity," said a senior administration official speaking on the condition of anonymity because of the sensitivity of the subject. "We think the Chinese have been enabling North Korea." The Korean Peninsula, the official added, has catapulted to the "top of the security agenda when President Hu comes here . . . and the Chinese are aware of it." Obama called Hu last night to discuss North Korea and urged China to help send a clear message to Pyongyang "that its provocations are unacceptable," the White House said today. "The president emphasized the need for North Korea to halt its provocative behavior and to meet its international obligations," the White House said. "The president condemned the North Korean shelling of a South Korean island on November 23 and its pursuit of a uranium enrichment program in defiance of its obligations." It said Obama "also highlighted the American commitment to the security of our allies in the region." The White House statement said Obama and Hu agreed on the importance of working together toward the "shared goals" of peace and stability in Northeast Asia and the denuclearization of the Korean Peninsula. But it made no mention of Hu's response to Obama's complaints about North Korea. "The U.S. exasperation with China over the Koreas has been evident since June, when Obama accused China of "willful blindness" in remaining silent over North Korea's suspected sinking of a South Korean warship in March. But the administration's position now that China is in effect partially to blame for the problems is new. At a meeting today with the foreign ministers of Japan and South Korea, Secretary of State Hillary Rodham Clinton hopes to begin the process of tightening the three-way relationship, as a response to the persistent North Korean provocations and China's inaction. The United States and South Korea announced three days ago the successful renegotiation of their free-trade agreement, which will be as important strategically as it is economically to the U.S. presence in the region. This week South Korea joined ongoing U.S.-Japan military exercises as an observer - a significant move for a country that was once occupied by Japanese forces. And on Monday, the chairman of the Joint Chiefs of Staff, Adm. Mike Mullen, will go to South Korea to further show U.S. support for its ally. While the new U.S. position reflects a growing frustration with China's apparent unwillingness to rein in Pyongyang, it also underscores a sense that the United States and South Korea have run out of leverage with the North and are therefore left dependent on Beijing for a solution to the security of the peninsula. But the United States has limited ways to pressure China because its leaders know that Washington, with troops in Afghanistan and Iraq, doesn't want another war. Also, U.S. alliance building in Northeast Asia has limits because there remains significant distrust between Tokyo and Seoul. The U.S. plan to pressure China has met with resistance from Beijing. China's support of North Korea, while always resolute, has gotten even stronger this year - despite some recent media reports based on leaked State Department cables that indicated that China might be ready to accept a united Korean
Peninsula under the South's leadership. Beijing has hosted the North's leader, Kim Jong Il, twice so far this year, and his third son, Kim Jong Eun, the heir apparent, once. It granted Kim the father a meeting with the full Standing Committee of the Politburo, a highly unusual honor. And it has increased its investment in and support of North Korea's economy - to ensure that North Korea does not collapse and remains a buffer state between China and the capitalist South. At the United Nations, China has also tried to suppress a report on North Korean proliferation activity. China’s attitude to the problems on the Korean Peninsula was on display November 27 when its top diplomat, State Councilor Dai Bingguo, visited South Korea for talks. China, according to South Korean officials, notified South Korea 15 minutes before Dai’s departure that he was headed for Seoul and that he wanted to land at a South Korean air force base that is normally reserved for heads of state. China also informed South Korea that it wanted President Lee Myung-bak’s schedule cleared for an immediate meeting with Dai. The South did not agree and Dai met Lee the next day. During that meeting, Dai essentially gave Lee “a history lesson on the relations between Beijing and Seoul” and did not mention the North Korean attack on Yeonpyeong, said a South Korean official. "He just told us to calm down," the official said. Then at the end of the meeting, as the two were readying to shake hands, Dai, off the cuff, told Lee that China wanted to call an emergency meeting of the six-party talks, grouping the United States, Japan, South Korea, Russia, China and North Korea, to help lower the heat on the peninsula. Lee told Dai that - given North Korea’s actions, a meeting would be tantamount to rewarding North Korean bad behavior. But Dai ignored Lee’s rejection and when Dai returned to Beijing, China’s chief North Korean negotiator, Wu Dawei, announced what it framed as a bold Chinese initiative: more talks. "The South Koreans were really ticked off," said Daniel Sneider, an expert on Asian security at the Shorenstein Asia-Pacific Research Center at Stanford University who was in Seoul last week. "The whole way it was handled smacked of a certain kind of arrogance . . . and signaled that the Chinese weren’t serious about reining in the North Koreans." (John Pomfret, "U.S. Raises Pressure on China to Rein in North Korea," Washington Post, December 6, 2010; p. A-1) Xinhua: In a telephone conversation with his U.S. counterpart Barack Obama, Hu said China is greatly concerned about the current tension on the peninsula, and deeply regrets the loss of lives and properties in the exchange of artillery fire between the DPRK and South Korea late last month. Hu called for calm and rational response from all sides to prevent the deterioration of the fragile security situation on the Korean Peninsula. The fragile security situation on the Korean Peninsula, if not properly handled, could lead to further escalation of tension, or even run out of control, which is not in the common interests of all parties concerned, said Hu. It is China’s consistent stand to achieve denuclearization of the Korean Peninsula and solve the nuclear issue on the peninsula through dialogues and negotiations to safeguard peace and stability of the peninsula and Northeast Asia, Hu said, adding that this is also the starting point and ultimate goal of the Chinese side in dealing with the Korean Peninsula's nuclear issue and other related issues. "China has always believed that dialogues and negotiations are the only right way to solve the issues and achieve lasting peace and stability of the Korean Peninsula," the Chinese leader said. The development of the situation has further proved the importance and urgency of restarting the six-party talks, Hu noted. He also said that China has proposed emergency consultations among the heads of delegations to the six-party talks, which
involve China, the DPRK, South Korea, Japan, Russia and the United States. “To relax tension, not aggravate it, to seek dialogue, not confrontation, and to pursue peace, not war, this is the strong aspiration and call of the peoples in both sides of the Korean Peninsula and of the international community,” Hu said. Obama, on his part, said the situation on the Korean Peninsula has an impact on the security of East Asia at large. The United States is willing to cooperate closely with China to achieve the common objective of denuclearization on the peninsula, remove the risk of instability there and protect the security environment in Northeast Asia, he said. The United States hopes to solve the issue through effective dialogues and engagement, and will keep close contact with China in this regard, Obama added. During the phone conversation, Hu also told Obama that China and the United States share extensive interests in such areas as tackling the international financial crisis, boosting global economic recovery and development, and safeguarding world peace and stability, and both countries shoulder important responsibilities in these regards. Hu also called for joint efforts to promote dialogues, mutual trust and cooperation in solving some sensitive issues, stand up together to face an increasing number of global challenges, and enhance the steady and sound development of the positive, cooperative and comprehensive Sino-U.S. relations. (Xinhua, “Chinese President Calls for Calm to Avoid Escalating Tension on Korean Peninsula,” December 6, 2010) In a sign of mounting tension between the United States and China over North Korea, President Obama telephoned President Hu Jintao and warned that China was emboldening its unruly neighbor by not publicly challenging its behavior, a senior administration official said December 6. In a frank, 30-minute discussion on Sunday night, Mr. Obama urged China to put the North Korean government on a tighter leash after a series of provocations, most recently its shelling of a South Korean island, which has stoked fears of a wider military confrontation in the Korean Peninsula. Obama, the official said, told Hu that “it was important for the North Koreans to understand that their actions would have consequences, including in their relations with China.” He reminded the Chinese leader of a tense meeting they had in Canada last June, after which the president publicly declared that China was guilty of “willful blindness” to North Korea’s military provocations. Hu did not offer any specific assurances to Mr. Obama, the official said, but he also did not complain about joint American-South Korean military exercises in the Yellow Sea. Nor did he suggest that the United States was partly to blame for North Korea’s belligerence because of its unwillingness to negotiate with Pyongyang. “The call was meant to be more forward-looking than pointing fingers at the past,” the American official said. Obama’s pressure on China was reinforced by a three-way meeting of the United States, Japan and South Korea at the State Department on Monday, at which they resolved to mount a united response to North Korea. The show of solidarity underlined the isolation of China, which has clashed recently with both Japan and South Korea, even as its relations with Washington have chilled over North Korea and other issues, including trade, currency squabbles and climate change. “We would hope that China would work with us to send a clear, unmistakable signal to North Korea that they have to demonstrate a seriousness of purpose,” Secretary of State Hillary Rodham Clinton said at a news conference afterward, flanked by the foreign ministers of Japan and South Korea. The South Korean and Japanese foreign ministers agreed, and echoed Clinton’s call for China to take a more active role. “We would like China to have a clearer stance in giving warning to North Korea and to
contain the provocative actions by North Korea,” Kim Sung-hwan, the South Korean foreign minister, said in Washington. “It almost shows that there is a new cold war in Asia, with Japan, the United States and South Korea on one side, and China and the North on the other side,” said Victor Cha, a special envoy to North Korea during the Bush administration. Cha said the flurry of American diplomatic activity “sends a message to China: you can either stand with us, or you can stand with the North. That puts some subtle, or not-so-subtle, pressure on China.” Whatever the reason for the time it took to set up the presidential phone call, analysts in Beijing and Washington say it epitomizes the speed with which relations between Washington and Beijing have plunged into a freeze. This year has witnessed the longest period of tension between the two countries in a decade. And if anything, both sides appear to be hardening their positions. “The Chinese now feel broadly that where they disagree with the U.S., they can really say ‘no,’” said Kenneth G. Lieberthal, a China policy adviser in the Clinton administration who is now at the Brookings Institution. During the call, according to a White House statement, Obama told Hu that North Korea’s new enrichment facility flouted commitments it made during the six-party talks on curbing its nuclear program, and urged China’s help in sending “a clear message to North Korea that its provocations are unacceptable.” One former Chinese official with close ties to the government dismissed the American approach last week as characteristically legalistic. The former official, who spoke on the condition of anonymity because he was not authorized to speak on the topic, said China’s strategy was to reassure the North Koreans about their security, not lecture them about diplomatic obligations. (Mark Landler, “Obama Urges China to Check North Koreans,” New York Times, December 7, 2010, p. A-1)

Two days before the live-fire exercise, U.S. Ambassador to Seoul Kathleen Stephens and General Walter Sharp, head of the UN Command and U.S. Forces Korea (USFK), visited President Lee to discuss the exercise and declared the U.S. “would stand by the ROK no matter what happened.” [Told Lee not to do live-fire??] (Lee Chi-dong, “President Lee orders gov’t to stay on full alert”, Yonhap, December 20, 2010; Christine Kim, “Guns on Yonpyeong Blast for 90 Minutes,” Joongang Ilbo, December 21, 2010)

KCNA “authorized” report: “The south Korean puppet group, far from drawing a lesson from the deserved punishment it faced for its reckless firing of shells into the territorial waters of the DPRK side around Yonphyong Island, is getting more frantic in military provocations and war moves under this pretext. The puppet group staged the largest-ever madcap combined exercises together with the U.S. in waters of the West Sea of Korea with its nuclear carrier flotilla involved right after the shelling incident on Yonphyong Island. It plans to stage large-scale combined naval maneuvers with huge armed forces of the U.S. Seventh Fleet including its nuclear submarines involved in the near future. It noisily announced that firing exercises would be staged at 29 places in the East, West and South seas of south Korea simultaneously from [tomorrow]. Taechong Island, one of the five islands in the West Sea very close to the territory of the DPRK, is included in them. The puppet forces are loudly advertising that they would fire shells into the territorial waters of the DPRK side from Yonphyong Island, i.e. in the same direction they did when committing the recent provocation. This indicates how frantic they have become in their provocative acts. They are getting very busy
massively introducing latest weapons including MLRS and missiles into Yonphyong Island to reinforce the fire power and installations and stage a take-shelter drill. The puppet military war-like forces were reported to have already worked out the so-called "retaliatory plan" which calls for sparking off an armed clash after getting on the nerves of the DPRK militarily and taking a large-scale counter-action under this pretext and designated Yonphyong Island as an ignition point to put it into practice. This indicates that the Lee Myung Bak group is set to orchestrate the second Yonphyong Island incident at any cost and ignite a war come what may under this pretext. The puppet group is so hell-bent on the moves to escalate the confrontation and start a war that it is recklessly behaving, bereft of reason. The war-like forces including the new puppet defence minister vociferated about the ‘principal enemy’ and the like while daring take issue with even the leadership of the DPRK. They blustered that they would make a ‘precision strike’ at artillery positions of the DPRK and ‘reduce them to ashes’ by modifying the ‘rules for battles' and setting in motion all the war means including aircraft. They went the lengths of letting loose outbursts that they would use the defence positions on the five islands in the West Sea as springboards for attack from which to strike the strategic targets deep inside the territory of the DPRK including Pyongyang. The frantic provocations on the part of the puppet group are rapidly driving the situation on the Korean Peninsula to an uncontrollable extreme phase. No one can predict to what extent the situation will deteriorate in the future. The DPRK is now maintaining a maximum self-possession and self-control. If an all-out war breaks out between the north and the south, it will seriously affect peace and security not only on the Korean Peninsula but in the rest of the region. Public opinion at home and abroad and the parties concerned are called upon to pay a serious attention to the daily worsening situation on the peninsula and properly understand who is a provocateur and who is a defender of justice. The U.S. and the puppet group would be well advised to stop acting rashly, pondering over the catastrophic consequences to be entailed by their reckless military provocation. (KCNA, “KCNA Warns against U.S.-S. Korean Puppet Group’s Rash Acts,” December 5, 2010)

South Korea’s military began a major live-fire exercise amid high tensions sparked by North Korea’s deadly bombardment last month, as Washington pressed Beijing to curb its unruly ally Pyongyang. The South, angry over the unprecedented peacetime shelling, dismissed claims by the North that the five-day drill could spark war. (AFP, “S. Korea Begins Live-Fire Exercises amid N. Korea Crisis,” December 7, 2010)

Foreign Minister Kim Sung-hwan left for Washington for talks with his U.S. and Japanese counterparts on how to deal with North Korea, which has ratcheted up tensions with an artillery strike against South Korea and revelations of a new nuclear facility. "How to draw cooperation from the international community and neighboring countries in dealing with the North’s attack and its uranium enrichment program and, particularly, how to cooperate with China will be the focus of the meeting,” Kim told reporters at Incheon International Airport. (Yonhap, “FM Heads to Washington for Three-Way Talks with U.S.-Japan Counterparts over N.K.,” December 5, 2010)

The WikiLeaks disclosure of U.S. diplomatic telegrams is proving a big headache for both the ruling and opposition parties in Korea. The telegrams already disclosed
contain the full names of high-ranking diplomatic officials together with their off-the-record remarks. There are apparently 1,980 diplomatic telegrams from the U.S. Embassy in Seoul in the WikiLeaks cache, 480 from 2007, 367 from 2008, 690 from 2009 and 102 from 2010. One diplomatic source said on Sunday, "Our embassies overseas report analysis of the political situation of the respective countries in much the same way. Diplomats meet politicians and civil servants of the countries where they are working and generate reports on things like the inclination of the current government and election outlook. The U.S. Embassy in Seoul did something along the same lines." The trouble is that the sources of the information are mentioned by name. Korean politicians regardless of party affiliation are reportedly pressing their aides to get their hands on the WikiLeaks documents as soon as possible so they can work out ways to limit damage they may suffer. If they were indiscreet about fellow politicians or presidential candidates in the past, they could find themselves in an awkward situation.

The Korean and U.S. governments are reportedly trying to figure out what the cables WikiLeaks is releasing piecemeal may contain and how to react. But one diplomatic source said, "Nobody knows which particular telegrams have been leaked." (Chosun Ilbo, “Korean Politicians Tremble at WikiLeaks Cables,” December 6, 2010)

12/6/10

In a telephone conversation with President Barack Obama, according to Xinhua, "Hu Jintao stressed that as a close neighbor of the Korean peninsula, China pays great attention to the situation there. The recent exchange of fire between North and South Korea caused damage and loss of life, including of civilians. …China expresses deep regret about that, and is extremely worried about the current situation. The Korean peninsula has a very fragile security situation. Especially with the present situation, if not dealt with properly, tensions could well rise on the Korean peninsula or spin out of control, which would not be in anyone’s interest, and is exactly what we don’t want to see. …The most pressing task at present is to calmly deal with the situation, and prevent it from becoming worse. China has always believed that dialogue and negotiations are the only right way to resolve North Korean nuclear-related issues and to realize long lasting peace on the Peninsula and North East Asia. …The developing situation further shows the importance and urgency of restarting Six-party talks. …Hu Jintao stressed, we need an easing (of tensions), not a ratcheting up; dialogue, not confrontation; peace, not war. This is the ardent wish and call of the people on both the northern and southern parts of the Korean peninsula, and the international community. …China has already made an urgent proposal to hold a heads of delegation meeting for the countries in the six-party talks. China is willing to keep in close contact and coordinate with the United States on the situation on the Korean peninsula, and to work together to maintain peace and stability on the Korean peninsula and in Northeast Asia.” According to White House, “The two Presidents discussed our common interest in peace and stability in Northeast Asia and the priority of ensuring the denuclearization of the Korean Peninsula. They agreed on the importance of the United States and China working together toward these shared goals. The President emphasized the need for North Korea to halt its provocative behavior and to meet its international obligations, including its commitments in the 2005 Six Party Joint Declaration. The President condemned the North Korean shelling of a South Korean island on November 23 and its pursuit of a uranium enrichment program in defiance of its obligations. He urged China to work with us and others to
send a clear message to North Korea that its provocations are unacceptable. The President also highlighted the American commitment to the security of our allies in the region.” (Reuters, “Highlights of Hu-Obama Telephone Conversation,” December 6, 2010)

At talks in Washington, FM Kim Sung-hwan, Maehara Seiji, and SecState Clinton agreed on five conditions that North Korea must meet, including previous obligations to end its nuclear weapons program, to resume the six-party talks According to the foreign ministers’ agreement, North Korea must stop its uranium enrichment program; accept inspectors from the International Atomic Energy Agency; and fulfill its obligations to abandon its nuclear weapons program and other existing nuclear plans under a joint statement agreed to at the six-party talks in 2005. The other two conditions for the resumption of the six-party talks have not been disclosed. According to the sources, Dai Bingguo, the Chinese state councilor in charge of foreign affairs, brought up the five conditions when he met with North Korean leader Kim Jong Il in Pyongyang on December 9. He asked Kim about the possibility of North Korea accepting some of the conditions. (Oshima Takashi, “Trio Set Terms for 6-Party Talks,” Asahi Shimbun, December 16, 2010)

Clinton: “The attack is the latest in a series of North Korean provocations. It has disclosed a uranium enrichment program that violates UN Security Council Resolutions 1718 and 1874, as well as North Korea’s commitments under the September 2005 Joint Statement of the Six-Party Talks. And the sinking of the Cheonan, killing 46 South Korean sailors, deepened North Korea’s international isolation. From day one of the Obama Administration, we have made clear that North Korea needs to change. The international community has repeatedly presented North Korean leadership with a path toward greater engagement and integration, but thus far they have chosen the path of confrontation and isolation. The path to a better relationship and a secure and prosperous future is still open to North Korea if it makes the right choices. We remain committed to seeking opportunities for dialogue. But we will not reward North Korea for shattering the peace or defying the international community. This trilateral meeting reaffirmed the steps that North Korea must take in order for a resumption of Six-Party Talks to produce results. North Korea must improve relations with the Republic of Korea and cease its provocative behavior. North Korea must also comply with its international obligations and take concrete steps to implement its denuclearization commitments under the September 2005 Joint Statement. As part of our comprehensive strategy going forward, Chairman of the Joint Chiefs of Staff Admiral Mullen will lead a delegation to South Korea tonight to enhance coordination on strategic deterrence. He will then visit Tokyo. Next week, I will be sending a high-level team to Asia to follow up on today’s meeting. … Q: A question for all of you on China: You’ve all spoken about the need for China to take some strong measures. What specifically would you like China to do? And what does it say to China that they were not invited here today? And how do you expect to get this done without them here? CLINTON: Well, first, China and Russia continue to be our partners in the Six-Party Talks. We have been in very close contact with them. The trilateral ministerial is a meeting with our Northeast Asia treaty allies, and we look forward to China playing a vital role in regional diplomacy. They have a unique relationship with North Korea.
And we would hope that China would work with us to send a clear, unmistakable message to North Korea that they have to demonstrate a seriousness of purpose in ending their provocative actions. And there are many ways that they can do that, and we will be focused on trying to work with our allies and our partners in the Six-Party Talks to deliver that message. … FM MAEHARA: (via interpreter) … As far as Japan is concerned, how are we to act on the Six-Party Talks? We exchanged views on this question. Also, I expressed Japan’s position. We will, of course, continue to make use of the United Nations. The uranium enrichment is something that will be a threat not just to Japan and the ROK, but to the international community, and I explained that how we need to respond to that also as an international community. There was a question about China building on these tripartite discussions. Minister Saiki, who is the director general of the Asian Affairs Bureau of the Japanese foreign minister, who also heads Japan’s team to Six-Party Talks, will be sent soon to China to explain what is on Japan’s mind and what Japan intends to do, so that the five parties will together be dealing with DPRK instead of creating a situation of three countries versus three. … Q: (Inaudible) from Yonhop News Agency. So Madam Secretary and Minister Kim, you are rejecting China’s proposal for emergency meeting of chief nuclear envoys this month. And are you considering bringing North Korea’s attack on South Korean Yeongpyeong Island and its uranium project to the UN Security Council? Also, what do you think of the criticism that unlike Clinton Administration, the Obama Administration closely follows the Bush Administration’s hard-line policy on North Korea, maybe a bit stronger policy, to prompt North Korea to increase its nuclear arsenal and other provocations? … CLINTON: First, let me say that with regard to an emergency meeting with members of the Six-Party Talks, North Korea first needs to take concrete steps to demonstrate a change of behavior. The Six-Party Talks cannot substitute for action by North Korea to comply with its obligations. As you’ve already heard, North Korea should abide by the terms of the armistice, fulfill its requirements under the joint statement, and comply with all of its obligations under United Nations Security Council resolutions. They need to demonstrate a seriousness of purpose in ending their provocations and let the world know that they are now ready to come to the table and fulfill the commitments that they have already made. Because the Six-Party Talks cannot substitute for specific actions by North Korea to comply with all of its obligations.” (Secretary of State Hillary Rodham Clinton, Remarks with Japanese Foreign Minister Maehara Seiji and South Korean Foreign Minister Kim Sung-hwan, December 6, 2010)

The International Criminal Court has launched a preliminary investigation into allegations that North Korean forces committed war crimes when they shelled civilian areas in South Korea and allegedly sank a South Korean warship, the court announced. In a statement from its headquarters in The Hague, the court said its chief prosecutor, Luis Moreno-Ocampo, is looking into two incidents: the Nov. 23 shelling of Yeonpyeong Island, which killed two South Korean marines and two civilians, and the March 26 torpedoing of a South Korean warship, the Cheonan, which left 46 sailors dead. Although North Korea acknowledges shelling Yeonpyeong Island, it has denied sinking the Cheonan. The court said it was prompted to undertake its investigation because of complaints it had received - most probably from the South Korean government, which signed the international treaty that established the war crimes
A former Iranian diplomat who defected to the West this year said he saw North Korean technicians repeatedly travel to Iran, which Western officials fear is trying to develop nuclear weapons. Mohammad Reza Heydari, who resigned in January from his post as Iranian consul in Norway, said he's "certain" the cooperation is continuing between his home country and North Korea. The comments at a Paris think tank conference come amid rising international concerns that North Korea, which has already staged atomic tests, is cooperating with Iran on its nuclear program. Heydari said that from 2002 to 2007, when he headed the Iranian Foreign Ministry's office for airports, he saw many technicians from North Korea travel to Iran. "I witnessed repeated roundtrips of North Korean specialists and technicians – given that I was right there at the border – who came to collaborate on the Iranian nuclear program," he said through a translator. Heydari said their visits were handled "in a very discreet way, so they could come through unnoticed." Heydari said he also had contacts then with officials from Iran’s Revolutionary Guards, and "it was clearly said that Iran was concentrating on two objectives ... the first was to build the range of surface-to-surface missiles, the second was to get a nuclear weapon with North Korea’s help." Separately today, Saed Jalili, Iran’s chief nuclear negotiator, denied that North Korean technicians had come to Iran to help the country develop nuclear weapons capabilities. "What you said, sir, about North Korea, I completely refute it. It’s totally fabricated," said Jalili, when asked about the defector’s comments at a news conference in Geneva. (Christian Science Monitor, “North Korea and Iran Cooperated on Nuclear Weapon Development: Defector,” December 7, 2010)

North Korea has abetted the arms race in the Middle East by providing missile technology to Iran and Syria, which then backed Hamas and Hezbollah, according to American intelligence officials and a cable from Mrs. Clinton. The cables tell something of an international detective story: how North Korea’s arms industry has conducted many of its transactions through the Korea Mining and Development Corporation, relied on suppliers of machinery and steel from countries including Switzerland, Japan, China and Taiwan, passed money through Chinese and Hong Kong banks and sold weapons to other countries. To disrupt the transactions, American officials have prodded and protested. Diplomats raised questions in the spring of 2009, for example, about planned purchases from North Korea of rocket launchers by Sri Lanka and Scud missile launchers by Yemen. In July 2009, Stuart A. Levey, a senior United States Treasury official, warned a top official of the People’s Bank of China that “Chinese banks have been targeted by North Korea as the main access point into the international financial system,” according to one cable. And in meetings in Hong Kong that month, Levey complained that a local businessman was helping procure luxury goods for the North Korean leadership. (The Hong Kong banks later suggested that it had shut down the man’s accounts.) In February, the White House announced that a new American ambassador would be sent to Syria after a five-year hiatus. The next day, William J. Burns, a State Department under secretary, met with the Syrian leader. During the session, Mr. Burns repeated American concerns about weapons smuggling to Hezbollah, one dispatch noted. Mr. Assad replied that while he could not be Israel’s
policeman, no “new” weapons were being sent to Hezbollah. Soon after the meeting, though, a cable noted that the Americans received intelligence reports that the Syrians were about to provide Hezbollah with Scud-D missiles, which are based on North Korean technology. (Some recent intelligence reports conclude that the group has about 10 such missiles stored in a Syrian warehouse that Hezbollah uses, according to American officials. The Defense Intelligence Agency believes that two have probably been moved to Lebanon, according to the officials, speaking on the condition of anonymity.) (Michael R. Gordon and Andrew W. Lehren, U.S. Strains to Stop Arms Flow,” New York Times, December 7, 2010, p. A-1)

China slammed a report that the United States has accused Beijing of “enabling” North Korea to start a uranium enrichment programme and to launch attacks on the South as “irresponsible.” The Washington Post reported yesterday, citing an unnamed senior US official, that China had encouraged the hardline regime in Pyongyang to “behave with impunity.” “We feel the accusation is irresponsible,” foreign ministry spokeswoman Jiang Yu told reporters. “China’s efforts (to maintain peace and stability) have been witnessed by all.” (AFP, “China Slams ‘Irresponsible’ U.S. Report on N. Korea,” December 7, 2010)

New Mexico Governor Bill Richardson will travel to North Korea next week to meet with government officials, a senior U.S. official said. “This is a private visit. He is not delivering a message,” said the official, who did not want to be identified. The Washington Post reported earlier that Richardson, who has been to North Korea before as a special U.S. trouble-shooter, was invited by people involved in North Korea’s nuclear program. Richardson’s spokesman did not return a phone call and an email seeking comment about his trip. Reuters, “New Mexico Governor Richardson Will Travel to North Korea,” December 7, 2010)

In a display of unshakable solidarity, South Korea and the U.S. agreed to hold more joint drills and vowed stronger military response against North Korean aggression, warning that the North should not mistake restraint shown by the allies as a "lack of resolve or accepting continued attacks to go unchallenged." Gen. Han Min-koo of South Korea’s Joint Chiefs of Staff (JCS) and his U.S. counterpart Adm. Mike Mullen also agreed to refine Seoul’s leading role against local provocations, giving the South more authority to defend itself from North Korean aggression. Han, the South Korean JCS chairman, said, “If North Korea provokes us further, we will respond with our right of self-defense, and North Korea will have to pay a dear price for such provocation.” Han said, “The Republic of Korea (ROK) and the U.S. also agreed to strongly respond to North Korea’s additional provocations by refining the ROK-supported, U.S.-supporting plans for local provocation in order for the alliance to resolutely respond to further North Korean aggression.” Han said the allies are working to ensure the plans “to deter and defeat a rapidly evolving threat from North Korea.” Asked about South Korea’s vows of using fighter jets to bomb North Korea in case of a future attack, Mullen replied, "South Korea is a sovereign nation that has every right to protect its people in order to effectively carry out that responsibility." South Korea “also has the right to choose the method with which they respond,” Mullen said, adding he didn’t "ask South Korea to take air options off the table." Just days after the North’s attack on
Yeonpyeong, South Korea and the U.S. conducted large-scale naval drills off the Yellow Sea with a U.S. supercarrier participating. The drills "sent a strong signal of our intent to deter future acts of aggression," Mullen said, adding, "we must do more together." Mullen said he hopes Japan will take part in future joint drills between South Korea and the U.S. Japan sent its military officers as observers for South Korean-U.S. joint drills in July for the first time. "It is my hope that to the degree possible these exercises will include participation by your neighbors and partners, in particular the Japanese," Mullen said. "I leave this evening for Tokyo to discuss with Japanese military leaders ways in which we can leverage their experience and improve defense cooperation," Mullen said. "I only wish China were as helpful." (Kim Deok-hyun and Lee Haye-ah, "S. Korea, U.S. Vow Stronger Military Actions against N. Korean Provocation," Yonhap, December 8, 2010) In Seoul to meet with South Korea’s top defense officials, Adm. Mike Mullen, chairman of the Joint Chiefs of Staff, described China’s "unique influence" and "unique responsibility" to restrain North Korea, which in recent weeks shelled a South Korean island and revealed an advanced uranium enrichment facility. "The Chinese have enormous influence over the North, influence that no other nation on Earth enjoys," Mullen said. "And yet, despite a shared interest in reducing tensions, they appear unwilling to use it. Even tacit approval of Pyongyang’s brazenness leaves all their neighbors asking, ‘What will be next?’" Mullen’s message for Beijing exposed the fault line separating the Obama administration and the Chinese. China - North Korea’s lone ally and primary benefactor - is pushing for a resumption of six-party talks, the process designed to persuade North Korea to give up its nuclear weapons. But the United States, South Korea and Japan don’t feel ready, doubting North Korea’s willingness to roll back its nuclear arms ambitions. The Yeonpyeong attack - which prompted the resignation of South Korea’s defense minister - caused Seoul to reassess its restrained response to the shelling, with new Defense Minister Kim Kwan-jin vowing airstrikes against North Korea if attacked again. Still, Mullen on Wednesday called for caution. "Rather than meet belligerence in kind, you chose to meet it with restraint and resolve and with readiness," Mullen said. "The North should not mistake this restraint as a lack of resolve, nor should they interpret it as willingness to accept continued attacks to go unchallenged." (Chico Harlan, “In South Korea, Joint Chiefs Chairman Scolds China for Its ‘Tacit Approval;’ of North’s Aggression,” Washington Post, December 8, 2010) Neither General Han nor Mullen went into detail on changes in the rules of engagement, but Han said South Korea and the US had “agreed to strongly respond to North Korea’s additional provocations.” They would, he said, be “refining” plans “for the alliance to resolutely respond to further North Korean aggression.” South Korean analysts believe the two came to a definite understanding. “They have more freedom in the choice of weapons,” says Kim Tae-woo, a vice president of the Korea Institute for Defense Analyses. “It is an historical change” - the first, he says, “since the Korean War.” Kim a member of South Korea’s presidential commission for defense reform, says “the green light was given even though Mullen did not say so openly.” (Don Kirk, “U.S., South Korea Eye Shift in Rules of Engagement on North Korea,” Christian Science Monitor, December 8, 2010) South Korean military officials’ assurances that they could “control the escalation ladder” created more concern than calm that both countries could miscalculate, entrapping the United States in a war. Admiral Mike Mullen, chairman of the Joint Chiefs of Staff, went to Seoul, ostensibly to show alliance solidarity, but also “out of concern that that

North Korea reportedly fired artillery shells into its own waters northeast of South Korea’s Baengnyeong Island in the Yellow Sea around 9 a.m. today. An official at the Joint Chiefs of Staff in Seoul said that several artillery shells landed in waters north of the inter-Korean maritime border. He added that the artillery firing appears to have been part of a regular military drill by North Korea and is not a cause for concern. (KBS, “N.K. Fires Artillery Shells into Own Yellow Sea Waters,” December 8, 2010)

Products made in the Gaeseong Joint Industrial Complex have been circulated in clandestine local markets in North Korea, and are highly popular, Radio Free Asia (RFA) reported. In its report earlier this week, it said products have a fake tag of “Made in North Korea,” yet people can easily discern them as coming from the zone because of the quality of the products. The Gaeseong complex is home to more than 120 South Korean factories, which employ some 44,000 North Koreans. Quoting a person involved in the clandestine commerce, the RFA said the business is so lucrative that people involved skip going to work. “I bribe my boss so that I don’t have to show up at work in the morning. Then, with my wife, I get products sneaked out from the Gaeseong zone and sell them,” the interviewee known only as Hwang told the RFA. Hwang also said families of employees at the Gaeseong complex are usually far better off because of it. RFA also quoted a South Korean businessman who once had a factory in Gaeseong, saying that it was surprising. “I had to face the reality that at least 10 percent of the products were somehow lost at all times.” (Kim Se-jeong, “S. Korean Products from Kaesong Sold in N. Korea,” Korea Times, December 8, 2010)

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North Korean leader Kim Jong Il met in Pyongyang with a top Chinese diplomat, KCNA said, as the two countries boosted their “friendly and cooperative relations.” According to the North Korean account, Chinese State Councilor Dai Bingguo conveyed a greeting from President Hu Jintao and presented Kim with a gift, reinforcing the cozy Pyongyang-Beijing relationship that has drawn recent criticism from the United States and other nations involved in the six-party talks about North Korea’s nuclear ambitions. (Chico Harlan, “China Affirms N. Korea Ties with ‘Candid’ Official Visit,” Washington Post, December 10, 2010, p. A-9) North Korea and China proclaimed their unity as the North’s leader Kim Jong-Il held his first meeting with a senior Chinese envoy since the region’s worst crisis in years erupted. China’s most senior foreign policymaker Dai Bingguo visited Pyongyang as pressure intensifies on Beijing to rein in its neighbour, after North Korea’s deadly shelling of a South Korean island inflamed tensions on the peninsula. China’s ambassador to Tokyo, Cheng Yonghua, reportedly rejected the US-led demands for his government to pressure North Korea and said it was an "unfair interpretation" that Beijing holds much sway over the Kim regime. "It is unreasonable," he told Asahi Shimbun. "They should not simply dictate that 'China should do it', without sitting at the table of dialogue." (AFP, “China, North Korea Stand Fast Despite U.S. Anger,” December 9, 2010) Ambassador to Japan Cheng Yonghua said, "It’s unreasonable for South Korea, the U.S. and Japan to ask China to use its influence over the North." If the three countries "have anything to demand of the North, they should hold direct dialogue with the country," instead of China, he said. "Dialogue is the only
way unless they want to aggravate the situation.” “China does not interfere in internal affairs of other countries. That means we will say what needs to be said to our ally [North Korea] but will never interfere in its internal affairs,” he added. He also criticized Tokyo’s recent efforts to revise its defense policy to strengthen flexible and mobile deployment of troops to hold China in check. “Considering China a potential enemy is a dangerous idea that undermines the spirit of mutual trust,” he said. Touching on brisk Chinese naval exercises, he said, “China never seeks hegemony. These are not hostile activities against Japan, and they are only aimed at training troops.” Meanwhile, Chinese military leaders strongly criticized a warning by Gen. Burwell Bell, the former commander of the U.S. Forces Korea. Burwell said in a lecture on Dec. 3 that the Chinese economy “will fall back to 100 years ago” if China entered a war on the Korean Peninsula again. Peng Guangqian, a People’s Liberation Army major general, commented on Bell’s remarks during an Internet chat hosted by the official People’s Daily Online on yesterday. (Chiosun Ilbo, “Chinese Envoy Rejects Call to Rein in N. Korea,” December 10, 2010) Kim and Dai “reached consensus on bilateral relations and the situation on the Korean Peninsula after candid and in-depth talks,” Xinhua said. The report did not elaborate on details of the consensus. KCNA said that the two sides discussed the “issue of boosting the friendly and cooperative relations between the two countries and a series of issues of mutual concern.” (Chang Jae-soon, “N. Korean Leader Meets with Top Chinese Official amid Tensions over Island Attack,” Yonhap, December 9, 2010) According to the sources, Dai Bingguo, the Chinese state councilor in charge of foreign affairs, brought up the five conditions agreed in talks in Washington, among FM Kim Sung-hwan, Maehara Seiji, and SecState Clinton when he met with North Korean leader Kim Jong Il in Pyongyang on December 9. He asked Kim about the possibility of North Korea accepting some of the conditions. (Oshima Takashi, “Trio Set Terms for 6-Party Talks,” Asahi Shim bun, December 16, 2010) China described Dai’s talks with Kim Jong-il as “frank and in-depth.” (Xinhua, “Dai Bingguo Holds ‘Frank and In-Depth’ Talks with Kim Jong-il,” December 9, 2010) China has debriefed South Korea on the meeting between the Chinese envoy Dai Bingguo and North Korea’s Kim Jong-il of the night of December 10, Yonhap reported. North Korea’s stance didn’t seem to have changed much, the report said, citing an unnamed diplomat, who apparently declined to go into details. “It seems like the North told Dai more or less the same thing that it had already stated (publicly) regarding the Yeonpyeong attack and also the nuclear issue,” another diplomat, also unidentified by name, said in the report. This diplomat also said: “I suspect the North claimed that the shelling was a response to South Korea which it claimed provoked first.” China’s official Xinhua News Agency said on December 7. Dai and Kim “have reached an important consensus through candid and in-depth talks on the Korean Peninsula and the relations between two countries.”The report didn’t specify what the “consensus” was. (Korea Times, “China Debriefs Seoul on Dai Bingguo’s Pyongyang Visit,” December 11, 2010) North Korea appears to have made little concessions when a top Chinese official visited Pyongyang earlier this week on an apparent mission to defuse tensions over the North’s recent artillery attack on a South Korean island, a Seoul official said December 11. “I can’t speak in detail, but regarding North Korea’s position, it appears that there is little difference in the position that it has been sticking to,” the official said, declining to provide further specifics. (Yonhap, “N. Korea Appears to Have Made Little Concessions to Chinese Envoy: Seoul Official,” December 11,
North Korea has agreed to China's proposal to hold emergency discussions among chief envoys to the six-party talks on Pyongyang's nuclear disarmament in a bid to defuse tensions on the Korean Peninsula, China's foreign ministry said December 14. “The agreement was reached when Chinese State Councilor Dai Bingguo met with North Korean leader Kim Jong-il in Pyongyang last week,” Jiang Yu, spokesperson for China's foreign ministry, said in a regular press briefing. “China and North Korea have agreed that the two sides should prevent the tense situation from further escalating and put constructive effort in building peace on the Korean Peninsula, while maintaining calmness and restraint,” Jiang said. (Kim Young-gyo, “N. Korea Agrees on Emergency Six-Way Talks: Beijing,” Yonhap, December 14, 2010) North Korean leader Kim Jong-il reportedly revealed his intention to accept an IAEA nuclear inspection in a recent meeting with Chinese State Councilor Dai Bingguo, local broadcaster MBC reported December 15. Citing a government source, it said Kim had certain “complicating” preconditions to be met before it would go ahead with the inspections. However, Kim expressed his willingness to let the IAEA look at the country’s nuke facilities, MBC said. Details of the preconditions given by Kim were unknown. (Korea Herald, “N. K. Leader Kim Jong-il Reveals Intention to Allow IAEA Nuke Inspection,” December 16, 2010)

KCNA: “General Secretary Kim Jong Il on Thursday met with State Councilor of the People's Republic of China Dai Bingguo on a visit to the DPRK. Present there were Zhang Zhijun, vice-minister of Foreign Affairs, Liu Hongcai, Chinese ambassador to the DPRK, Ai Ping, deputy head of the International Liaison Department of the C.C., the Communist Party of China, Qiu Yuanping, deputy director of the Foreign Affairs Office of the C.C., the CPC, Wu Dawei, special representative of the Chinese government for the Korean Peninsula issue, and others. Also on hand were Kang Sok Ju, member of the Political Bureau of the C.C., the WPK and vice-premier of the Cabinet, and Kim Yang Gon, alternate member of the Political Bureau and secretary of the C.C., the WPK. Dai Bingguo courteously conveyed greetings of Hu Jintao, general secretary of the C.C., the CPC and president of the PRC, to Kim Jong Il and presented his personal gift to him. Kim Jong Il thanked for this and asked Dai Bingguo to convey his regards to Hu Jintao before having a talk with him in a warm and friendly atmosphere. At the meeting a talk was held over the issue of boosting the friendly and cooperative relations between the two countries and a series of issues of mutual concern.” (KCNA, “Kim Jong-il Meets Dai Bingguo,” December 9, 2010)

An unstoppable change is taking place among the North Korean people, and the time has come for South Korea to prepare for unification, President Lee Myung-bak said, an indication of a harsher policy toward Pyongyang in retribution for the communist regime's shelling of Yeonpyeong Island. “I can feel that unification is drawing nearer,” Lee said during a meeting with Korean residents in Malaysia on Thursday night. “We must prepare for unification with a stronger economic capability.” Lee said the North Korean people had been blocked to world affairs in the past, but now they understand how the world is changing. “They’ve begun to understand now that South Korea is prosperous,” he said. “This is an important change, and no one can stop this. Unification is drawing nearer.” This was the second time in a week that Lee spoke about changes taking place among the North Korean people. “What we must pay
attention to is the North Korean people’s change, not the change of the North Korean leadership,” Lee said on December 3. “There is no power in history that can go against the people’s change.” In an interview with The Star, Lee urged the North to change by saying, “Pyongyang should open its doors for economic growth as Beijing has done. I hope China will actively encourage the North to choose the same route that it has taken.” Lee also said economic cooperation between the two Koreas will become more active when Pyongyang clearly states its intention to give up its nuclear weapons programs. Blue House officials said Lee’s remarks on change among the North Korean people had not been discussed with them in advance. People in the presidential office and the ruling party interpreted Lee’s remarks as a message to North Korean leader Kim Jong-il as a kind of psychological warfare.

“The president doesn’t really have a good card to use against the North,” said a North Korea specialist in the ruling circle. “In such a circumstance, what Lee can do is shake up the North Korean leadership with harsh words.” A presidential aide said yesterday that Lee’s remarks were not based on any new information about the North Korean people. “It should be understood as a warning to the North Korean regime,” he said. Others went even further. They said Lee has decided not to treat the North Korean leadership as a dialogue partner after the shelling of Yeonpyeong Island, and his remarks are a de facto declaration of his desire for a regime change in Pyongyang. “That’s why Lee did not demand an apology from the North for the latest attack,” said a senior ruling circle official close to the president. “Lee’s recent remarks mean that he will now try to change the North Korean regime.” (Ser Myo-ja, “Lee Says Change’ Coming to North,” JoongAng Ilbo, December 11, 2010)

North Korea has invited Hecker at several critical moments since 2002, when the second nuclear crisis erupted -- five times in all. On each occasion the North rolled out the red carpet and gave him exceptional access to its nuclear program, showing him plutonium samples and nuclear facilities. "It’s a tactic to boost the North’s negotiation power by showing off its nuclear capabilities to a scientist and making it a fait accompli through the media," said a diplomatic source. The U.S. government is said to be wary of Hecker’s visits to North Korea, even though it uses the information he provides. The U.S. government worries that Hecker’s reports damage its negotiating power because he is likely to be shown only the parts of the truth the North wants him to see. "I don’t think Washington’s North Korea policy has changed fundamentally as a result of Hecker’s visits," said a government official. (Chosun Ilbo, “N. Korea’s Curious Relationship with U.S. Nuclear expert,” December 9, 2010)

Sig Hecker: “On November 12, during my most recent visit to the Yongbyon nuclear complex, North Korean scientists showed me and my colleagues, John W. Lewis and Robert Carlin, a small, recently completed, industrial-scale uranium-enrichment facility and an experimental light-water reactor (LWR) under construction. I was stunned by the sight of 2,000 centrifuges in two cascade halls and an ultramodern control room. But it was not until the long drive back to Pyongyang that the political implications of these findings hit home. It will be more important than ever to limit Pyongyang’s nuclear progress and calm tensions on the Korean peninsula. This is particularly true in light of the clash in the Yellow Sea between the two Koreas late last month. Although I and other nonproliferation experts had long believed that North Korea possessed a
parallel uranium-enrichment program -- and there was ample evidence for such a belief -- I was amazed by its scale and sophistication. Instead of finding a few dozen first-generation centrifuges, we saw rows of advanced centrifuges, apparently fully operational. Our hosts told us that construction of the centrifuge facility began in April 2009 and was completed a few days before our arrival. That is not credible, however, given the requirements for specialty materials and components, as well as the difficulty of making the centrifuge cascades work smoothly. How North Korea managed to obtain all these materials is a troubling question for the global nonproliferation regime. Indeed, there is no evidence that North Korea can produce high-strength aluminum or steel alloys on its own, or that ring magnets, bearings, and vacuum valves were manufactured indigenously. The centrifuge facility we saw is most likely designed to make reactor, not bomb, fuel. However, it is highly likely that a parallel covert facility capable of HEU production exists elsewhere in the country. The most likely scenario is that the equipment was built and brought into operation over many years at a different location and then moved into the new facility. The items needed to manufacture the centrifuges were likely obtained through North Korea's complex and far-reaching procurement network -- in which Pakistan likely played a significant role. Former Pakistani President Pervez Musharraf admitted in his memoirs that the Pakistani scientist A. Q. Khan delivered what amounted to an enrichment starter kit of 24 centrifuges around the year 2000. There were also reports that before A. Q. Khan’s house arrest in 2004, North Korean scientists had cooperated closely with the Khan Research Laboratories, which provided hands-on training at their centrifuge facilities. In addition, in late 2001, the CIA reported to Congress that North Korea had attempted to acquire centrifuge-related materials in large quantities from Russia and Germany to support a uranium-enrichment program. It is also quite likely that the North Koreans fabricated at least some of the many components themselves. And Washington cannot rule out North Korean cooperation with Iran, since the two have collaborated closely on missile technologies before. North Korea's centrifuge facilities appear to be more sophisticated than what Iran has shown to international inspectors, but it is well known that Tehran is developing next-generation centrifuges. Moreover, North Korea has much greater experience in uranium processing and reactor technologies than Iran, raising concerns that such expertise could flow from Pyongyang to Tehran. These findings demonstrate the difficulty of accurately evaluating clandestine uranium-centrifuge programs. The small footprints and signatures of such facilities make assessment problematic. The best indicators of North Korea’s progress were its procurement activities and technical cooperation with other countries -- in this case, Pakistan. These markers led the CIA to conclude in 2002 that by mid-decade North Korea could produce two highly enriched uranium (HEU) atomic bombs annually. The George W. Bush administration used this evidence to confront Pyongyang in October 2002 in a manner that led to the termination of the 1994 Agreed Framework, which had foreseen eventual diplomatic normalization in exchange for denuclearization. Terminating the agreement provided North Korea with an excuse to withdraw from the Nuclear Nonproliferation Treaty, reprocess bomb-grade plutonium from the spent uranium fuel rods, and build its first bomb. In retrospect, it was not faulty intelligence that led to the disastrous outcome of the October 2002 confrontation but rather the Bush administration's misguided political determination to end the Agreed Framework without preparing for the
consequences. At Yongbyon, the North Koreans told us that they will eventually build larger power reactors, and although they anticipate difficulties because the technologies for the reactor and fuel are new to them, they are confident of success. Our Foreign Ministry host reminded us that they had previously threatened to build a LWR and do their own enrichment but that “no one believed us, including you, Dr. Hecker.” He made it clear that, in their minds, they had no choice; U.S. actions had pushed them in this direction. The existence of a North Korean light-water reactor poses its own set of policy challenges. Pyongyang has seriously pursued LWRs since 1985, when it struck a deal with Moscow to supply two such reactors. The Agreed Framework was an attempt to replace its gas-graphite reactors, which are useful for making bombs but bad for generating electricity. By contrast, LWRs, which are less suitable for bombs, are very good for electricity. Shortly after the North’s April 5, 2009, rocket launch and the predictable UN condemnation that followed, an official government press release stated, “We will see a light water reactor, which is vigorously 100 percent running on our own raw materials and technology.” Now, as promised, they have started construction on a small, experimental LWR designed to deliver roughly 25 to 30 megawatts of electric power. I believe North Korea’s expressed interest in nuclear electricity is genuine. Although it is technically possible that the LWR will be used to produce bomb-grade plutonium, such a scenario is unlikely. Plutonium from an LWR is much less suitable for bombs than the plutonium already produced in the existing gas-graphite reactor. In fact, if Pyongyang wanted more plutonium bomb fuel, it would simply restart that reactor, not build an LWR. Still, the construction of the reactor raises a number of policy issues: an LWR requires enriched uranium, and once enrichment capabilities are established for reactor fuel, they can be readily reconfigured to produce HEU bomb fuel -- precisely Washington’s concern about Iran’s nuclear program. In revealing these facilities, Pyongyang is sending a signal that policymakers must take seriously. In this case, the revelation appears to be part of a calculated plan developed around the time of the U.S. presidential transition to proceed with its nuclear program in a way that would influence the diplomatic situation in its favor. After the international community condemned North Korea’s April 2009 rocket launch, Pyongyang officially terminated its participation in the six-party talks and conducted a second nuclear test to demonstrate to its own satisfaction and to the world that it had a functioning nuclear device. At the same time, the North Koreans designed a small LWR and began building the enrichment facility by tearing down Yongbyon’s fuel-rod-fabrication facility and building a centrifuge hall. They timed our visit to show off their completed project. With these moves, Pyongyang managed to justify its need for an enrichment program while moving toward its long-standing ambition of using LWRs for nuclear power. The truth is that North Korea has run both plutonium and uranium programs in a dual-use mode -- that is, for bombs and electricity -- from the beginning. It favored the plutonium program for both weapons and electric power in the early 1990s, but it was willing to trade in the plutonium bomb program for electricity from LWRs to be supplied by the United States as part of the Agreed Framework. It appears to have rejuvenated its uranium program for bombs later in the 1990s, when A. Q. Kahn came calling and the Agreed Framework was moving along very slowly. By 2002, much as the intelligence reports indicated, the North was making major procurements of centrifuge materials and components. The October 2002 diplomatic confrontation
allowed the North to accelerate the plutonium bomb program in 2003, and subsequent nuclear tests allowed it to demonstrate its success. The modern centrifuge facility the North Koreans showed us this time indicates that Pyongyang never gave up on the uranium path to the bomb. The North must have been able to procure enough materials and components, fabricate and assemble them into working centrifuges, get them functioning in an undisclosed facility and then install them in short order at Yongbyon. The centrifuge facility we saw is most likely designed to make reactor, not bomb, fuel, because it would not make sense to construct it in a previously inspected site and show it to foreign visitors. However, it is highly likely that a parallel covert facility capable of HEU production exists elsewhere in the country. A light-water reactor requires enriched uranium, and once enrichment capabilities are established for reactor fuel, they can be readily reconfigured to produce HEU bomb fuel -- precisely Washington’s concern about Iran's nuclear program. The question now is how this affects Northeast Asia’s security calculus. North Korea already has plutonium -- by our estimates, enough for four to eight basic nuclear weapons. Possession of similar amounts of HEU does not fundamentally change the threat. HEU is easier to fashion into a crude bomb but offers no advantages for more sophisticated, miniaturized designs. If Pyongyang is content with its current arsenal or modest growth, it would be better off restarting the existing plutonium production reactor. However, if Pyongyang wants to increase its arsenal substantially, it could expand the capacity of the current enrichment facility or build parallel clandestine facilities. Pyongyang cannot expand centrifuge capacity at will, however. It is limited by the need to import key materials and components -- hence the international community must redouble its efforts to shut down Pyongyang’s extensive illicit procurement network. Even more troubling than an expansion of the North’s nuclear arsenal is its potential export of fissile materials or the means of producing them, which now include centrifuge technologies. Moreover, by unveiling the LWR and enrichment facility, Pyongyang has complicated the diplomatic process by, in effect, redefining what is meant by denuclearization. Not only is it unlikely that Pyongyang will give up its nuclear arsenal anytime soon, but it will almost certainly insist on keeping its LWR program and centrifuges. Shutting down the plutonium program was within reach, but the same is not likely for the uranium program, because the justification for its peaceful nature is more credible than for the plutonium program, even though it is no less problematic. Nevertheless, our Foreign Ministry host maintained that Pyongyang continues to support the denuclearization of the Korean peninsula as agreed to in the September 2005 Six-Party Joint Statement.

As a starting point, he suggested that it would be helpful if Washington reaffirmed part of the October 2000 U.S.-North Korean Joint Communiqué. That document, which was the culmination of a long diplomatic process, stated that neither government would have hostile intent toward the other and confirmed the commitment of both to make every effort to build a new relationship free from past enmity. It is time for the United States to conduct a thorough review of its policies on Northeast Asia, including but not limited to the nuclear issue. The fundamental and enduring goal must be the denuclearization of the Korean peninsula. However, since that will take time, the U.S. government must quickly press for what I call “the three no’s” -- no more bombs, no better bombs, and no exports -- in return for one yes: Washington’s willingness to seriously address North Korea’s fundamental insecurity along the lines of the joint communiqué. Our Foreign Ministry host framed his no’s
in terms of no vertical or horizontal proliferation. When we asked specifically if Pyongyang would entertain the concept of three no’s and one yes, he said, "If the U.S. government asks that question, I will answer it." Pyongyang’s revelation of the centrifuge facility makes it more challenging and more pressing than ever to ask that question." (Siegfried S. Hecker, “What I Found in North Korea,” Foreign Affairs, December 9, 2010)

Aside from North Korea’s expanding nuclear capability, there’s another nuclear issue starting to heat up on the peninsula: Seoul and Washington have started negotiations on a decades-old agreement that limits South Korea’s nuclear capabilities and its energy industry. According to a Ministry of Foreign Affairs and Trade official today, the two countries met in Washington on October 25 to begin negotiations on revising a 1974 nuclear accord that is set to expire in March 2014. The next negotiation will be held in February or March, the official said, with successive meetings on a quarterly basis. The deadline the South Korean government has set for revisions is late 2012 or early 2013. The government has not been explicit about the changes it wants because of fear of hampering the negotiations. But according to analysts, it wants a fairer accord that reflects the changes in South Korea and in the world since the 1970s. “During the [October] meeting, we expressed gratitude for the U.S.’s support so far, and stressed that cooperating with [South] Korea, which is now a nuclear powerhouse, will benefit both countries commercially and industrially,” said the official, speaking on condition of anonymity. “The U.S. also shared our view.” Two restrictions the U.S. forced on South Korea during the height of the Cold War have emerged as the main talking points for revisions. The accord keeps South Korea from enriching uranium and reprocessing spent nuclear fuel. South Korea says revising the accord will facilitate cooperation with the U.S. for utilization of nuclear energy, a major industry given the projected exponential rise of its need around the world. It also believes a new accord could help make nuclear energy another pillar in bilateral economic cooperation, along with the South Korea-U.S. free trade agreement. But the government is concerned the U.S. may argue that the “safety measures” should stay, particular at a time when nuclear security in North Korea and Iran are such hot-button issues. North Korea revealed a new uranium enrichment facility last month, escalating its nuclear ability and its ability to threaten the North Asian region. “The nuclear issues of North Korea and Iran may have an impact on the negotiations,” said another Foreign Ministry official. He said concern over North Korea will spur proliferation fundamentalists to object to loosening the Seoul-Washington nuclear accord. But, the official said, South Korea’s nuclear issue should be separated from North Korea’s because the South’s industry is for peaceful generation of electricity. The U.S. classifies countries it cooperates with on nuclear issues into four categories with different levels of restrictions: full-fledged partnerships, strategic partnerships, vested interest partnerships and restricted partnerships. Japan, a full-fledged partner, has been allowed to enrich and reprocess uranium since a revision of the Japan-U.S. nuclear cooperation accord in 1988. India, a strategic partner, is given permission to reprocess fuel, though it is not a member of the Nuclear Nonproliferation Treaty. South Korea, however, falls into the restricted partnership category. “Given the long-standing alliance between the two countries and nuclear cooperation so far, South Korea should not be ‘one of those,’” said the official. “I think there was a consensus reached on that
point when we gathered in Washington in October.” The South Korean side also argues that the accord is hampering its nuclear power-plant export industry. Starting with the $40 billion deal with the U.A.E. last year, South Korea’s goal is to seize 20 percent of the global nuclear power plant market by 2030. That goal may be impeded by the limits of the nuclear accord. South Korea is only allowed to export nuclear power plants to countries that accept the ban on enriching uranium and recycling spent nuclear fuel. That could make South Korea a less appealing vendor than advanced nuclear powerhouses such as France or Japan, which can reprocess nuclear fuel. The growing difficulty of disposing spent nuclear fuel is another problem. According to the Korea Hydro & Nuclear Power Corp., the operator of South Korea’s nuclear power plants, storage space for spent fuel is nearing full capacity. It estimates that the oldest nuclear plant, Gori-1, which went into operation in 1978, will run out of storage space by 2016. Almost 90 percent of spent nuclear fuel is recyclable, scientists say. In addition the price of uranium is currently more than $45 per pound and is expected to double or more in 10 years. “Without being allowed to recycle spent fuel, the cost of importing uranium will increase substantially,” said Moon Joo-hyun, energy professor at Dongguk University. South Korea wants nuclear energy to be its main energy source in the future, aiming for at least 50 percent of electricity generation from nuclear energy by 2030. Local analysts say the U.S. has several reasons not to loosen the terms of the accord. Washington is concerned that allowing South Korea to reprocess spent fuel could weaken its leverage in North Korean nuclear disarmament talks, analysts say. It also fears that such concession would set a precedent for other nuclear developing nations. The U.S. also has lingering doubts over whether South Korea’s nuclear ambitions are entirely peaceful, analysts say. The Park Chung Hee military regime of the 1970s was suspected of trying to develop nuclear weapons to deter North Korea. Under pressure from Washington, the weapons program was disbanded by President Chun Doo Hwan in the early 1980s. “The government should remind the U.S. that South Korea is a trustworthy partner by evoking its efforts to comply with international moves for the peaceful use of nuclear technology,” said Kim Kyung-min, professor at Hanyang University. Some analysts say that for South Korea to get the revisions it wants, it needs to take a more subtle approach, without forgetting to show gratitude for the U.S.’s contributions. The accord, unfair as it may seem today, has laid the groundwork for the development of South Korea’s nuclear industry, they say. “Sticking to the word ‘unfair’ could only alienate the long-standing cooperative relationship with the U.S. in the nuclear sector, in which [South] Korea benefited a lot,” said Park Gun-cheol, a nuclear engineering professor at Seoul National University. (Moon Gwang-lip, “Another Nuclear Issue to Keep Seoul, D.C. Busy,” JoongAng Ilbo, December 9, 2010)
knowledge has expanded, but he said it was "an important change that no one can stop." "Reunification is drawing near," Lee said, according to the president's website. He also called on China to urge ally Pyongyang to embrace the same economic openness that has led millions of Chinese out of poverty – and said that North Korean economic independence was the key to reunification. (Associated Press, “S. Korea Says Reunification with North Not Long off,” December 10, 2010) Lee Myung-bak expressed hope for an early reunification of the two Koreas, saying ordinary people in North Korea should enjoy the benefits of economic prosperity just as southerners. Lee pointed out that the communist North’s recent artillery attack on a South Korean island has promoted unity among South Koreans and that many nations have joined in blaming Pyongyang. "I feel that reunification is drawing near," Lee said at a meeting with a group of Korean residents in Malaysia shortly after his arrival in Kuala Lumpur. "We should prepare for reunification on the basis of bigger economic power." The conservative president, who repeatedly vowed to get tough on nuclear-armed North Korea, said signs of change have been detected among North Korean people while the totalitarian regime is preoccupied with another father-to-son power transition. "North Korean residents had been unaware of what was going on in the world. But now they know how the world changes. Now they have begun to realize that the Republic of Korea prospers," Lee said. He called it an "important change that nobody can stop." (Korea Herald, “Lee Says Reunification of Two Koreas Drawing Near,” December 10, 2010)

Japan plans to discard its Cold War defense philosophy and shift to a posture that can effectively deal with possible contingencies on Japan’s vulnerable southern islands and China’s growing military presence. The main points of the National Defense Program Guidelines to be released this month will move away from a setup preparing for an invasion by the Soviet Union to a dynamic defense capability that emphasizes mobility. Since the first National Defense Program Guidelines were released in 1976, the emphasis has been on deploying the Self-Defense Forces uniformly around the nation. This year’s revision will be the first to introduce the concept of “dynamic defense capabilities.” Rather than seek a uniform deployment of SDF troops, the new guidelines will emphasize mobility and readiness to allow the SDF to respond to terrorist acts or an invasion of outlying islands. The guidelines will also raise concerns about the Chinese Navy’s rising presence in waters around Japan. The old guidelines simply said there was a need to focus on the trends of China in the future. The proposal to create a dynamic defense capability to deal with the Chinese military presence would involve intelligence-gathering and surveillance, as well as a heightened deterrence factor by demonstrating the SDF’s high capabilities in joint training exercises with the United States. The guidelines will also call for a new deployment of the minimum force level of SDF members needed on the Nansei island chain between the south of Kyushu main island and Taiwan. There will be little change in references to North Korea, with the new guidelines stating that Pyongyang’s military movements are a “major factor for instability” in the region’s security. An important point in the guidelines is improving mobility in order to deploy SDF members quickly to the Nansei island chain. This would involve using high-speed transport ships and transport planes to move SDF members based in northern parts of the country to the Nansei island chain. An appendix that lists specific numbers of military equipment will...
also reflect the new thinking of the outline. The new appendix calls for increasing the number of submarines from the current 16 to 22 and includes mention of the next-generation fighter jets. It also calls for increasing the number of Aegis destroyers from the current four. Reflecting the decreased importance of Cold War hardware, the new appendix foresees a reduction in the number of tanks from about 600 to 390. (Kawaguchi Kentaro, “Defense Policy Shifting Focus to China’s Military,” Asahi Shimbun, December 10, 2010)

Under new defense policy guidelines covering the five years from April 2011, Patriot Advanced Capability-3 interceptor missiles will be deployed at air bases nationwide to counter the North Korean ballistic missile threat, officials said. The PAC-3 missile system, designed to shoot down an incoming missile from the ground moments before reaching its target, will be deployed by all six Air Self-Defense Force air-defense missile groups from three at present, the officials said. The three groups that currently have the system are at the Iruma base in Saitama Prefecture covering the Tokyo metropolitan area, the Kasuga base in Fukuoka Prefecture responsible for security in Kyushu and the Gifu base aimed at defending Nagoya and Osaka. The other ASDF bases – in Chitose, Hokkaido; Misawa, Aomori Prefecture; and Naha, Okinawa Prefecture – are currently equipped with PAC-2 missiles designed to shoot down enemy aircraft. Under the fiscal 2011 budget, the government is eyeing transferring some PAC-3 missiles to Chitose and Misawa in the north from their current bases while introducing new PAC-3s to cover Naha. Four of the Maritime Self-Defense Force’s six Aegis destroyers are equipped at present with SM-3 interceptors designed to knock out an enemy missile before it enters the Earth’s atmosphere. (Kyodo, “Patriot Batteries to Be Expanded,” Japan Times, December 12, 2010)

In what would be a sweeping overhaul of its cold war-era defense strategy, Japan is about to release new military guidelines that would reduce its heavy armored and artillery forces pointed north toward Russia in favor of creating more mobile units that could respond to China’s growing presence near its southernmost islands, Japanese newspapers reported. The realignment comes as the United States is making new calls for Japan to increase its military role in eastern Asia in response to recent provocations by North Korea as well as China’s more assertive stance in the region. The new defense strategy, likely to be released this week, will call for greater integration of Japan’s armed forces with the United States military, the reports said. The reports did not give a source, but the fact that major newspapers carried the same information suggested they were based on a background briefing by government officials. The new guidelines also call for acquiring new submarines and fighter jets, the reports said, and creating ground units that can be moved quickly by air in order to defend the southern islands, including disputed islands in the East China Sea that are also claimed by China and Taiwan. These disputed islands are known as the Senkakus in Japanese and the Diaoyu in Chinese. (Martin Fackler, “Japan Plans Military Shift to Focus More on China,” New York Times, December 13, 2010, p. A-1)

China approached the United States to see if could stop the live-fire exercises in the West Sea, to no avail. (Victor Cha, The Impossible State (New York: HarperCollins, 2012), p. 243)

Prime Minister Kan Naoto has raised the possibility of changing laws to allow Japanese forces to be sent to the Korean Peninsula to rescue Japanese expatriates in the event...
of a crisis, and also to search for Japanese known to have been abducted by North Korea in the 1970s and 1980s. “We need to slowly move forward with consultations with South Korea about whether they would allow in transport aircraft from the Self-Defense Forces,” he told reporters. (Martin Fackler, “Japan Plans Military Shift to Focus More on China,” New York Times, December 13, 2010, p. A-11) PM Kan revealed that the possibility of dispatching JSDF for the purpose of rescuing the (Japanese) abductees abducted by North Korea is being evaluated by the government. PM Kan mentioned the above during a meeting with the families of the abductees held in a hotel in Tokyo. While referring to the shelling by North Korea of South Korea, PM Kan stated “A delicate situation has happened involving South and North Koreas, possibly U.S. military forces as well. No rule has been set between Korea and Japan on how JSDF can be dispatched for rescuing (the abductees) via South Korean soils. We are currently conducting several discussions to arrive at firm agreements between Japan and South Korea concerning such a possible rescue mission when such a situation occurs.” (Yomiuri Shimbun, December 11, 2010)

A batch of leaked U.S. diplomatic cables released this week lend details to long-suspected nuclear cooperation between North Korea and Burma, suggesting that hundreds of North Koreans were at one point working at a covert military site deep in the Burmese jungle. The cables from the U.S. Embassy in Rangoon, released by WikiLeaks are hardly definitive, citing accounts from dockworkers, foreign businessmen and other observers. But they feed growing fears of a partnership between two of the world’s most opaque countries, with strapped North Korea selling its nuclear technology. Secretary of State Hillary Rodham Clinton has warned of possible nuclear cooperation between North Korea and Burma, also known as Myanmar. One August 2004 memo cited information from a Burmese officer who claimed that 300 North Koreans were assembling surface-to-air missiles at a secret construction site, in a town called Mimbu. The workers, too, were “constructing a concrete-reinforced underground facility that is ’500 feet from the top of the cave to the top of the hill above.’” The source’s information, the cable acknowledged, should not be taken as proof of military or nuclear cooperation. The cable noted that the informant probably overestimated the number of North Korean workers at the site. “This account,” the cable stated, “is perhaps best considered alongside other information of various origins indicating the Burmese and North Koreans are up to something.” The greatest change in the security calculus, then, stems not from how North Korea might use uranium, but rather where it might sell it. “North Korea is in the business of selling stuff,” said David Asher, a former Bush administration official who directed strategy against Pyongyang’s illicit activities. “They have very little. They sell weapons. They sell illicit products. It’s just the way they are. If only they applied themselves more productively, they’d probably be a powerhouse economy. But they just haven’t.” (Chico Harlan, “WikiLeaks Suggests N. Korean, Burmese Nuclear Cooperation,” Washington Post, December 11, 2010, p. A-7)
**EO 12958 DECL: 01/09/2014**  
**TAGS** PGOV, PARM, PREL, BM, RS, KS, KNPP  
**SUBJECT:** BURMA: RUMORS OF CONSTRUCTION OF A NUCLEAR REACTOR NEAR MINBU  
**REF:** STATE 297614 AND PREVIOUS 03 RANGOON 1427  
**Classified By:** COM Carmen Martinez for Reasons 1.5 (B,D)  

**Summary** Expatriate businessman reports large-scale construction work in Minbu, location of recurring rumors of secret nuclear reactor being built by Burma with North Korean help. Key passage highlighted in yellow.

1. (S/NF) An expatriate businessman recently volunteered to an Embassy Officer that he had heard rumors that a nuclear reactor was being built near Minbu, in central Magway Division on the Irawaddy River. The businessman added that he personally had seen a "massive" barge containing large-sized rebar being unloaded on a trip to the area. After asking local residents about the rebar's purpose, he was told that similar size barge shipments were arriving almost weekly and that the rebar was to be used in the construction of unnamed/unidentified factories. In the opinion of the businessman, the quantities involved as well as the diameter of the rebar suggested a project larger than "factories." Along these lines, the businessman noted that there was a new airport near Minbu with a landing strip that, based on its length and thickness, seemed excessive, adding that "you could land the space shuttle on it."

2. (S/NF) Comment: Rumors of construction of a nuclear facility in/near Magway Division date back to 2002 and generally refer to alleged Government of Burma (GOB) and Russian cooperation on a nuclear research reactor project. Similar rumors, sans the "Russia" angle, have been circulating with greater frequency within diplomatic and expatriate circles since a November 2003 Far Eastern Economic Review (FEER) article which described signs of growing military ties between North Korea and Burma. While we have no direct evidence of this alleged cooperation, rumors of ongoing construction of a nuclear reactor are surprisingly consistent and observations of activity such as that described above appear to be increasing, as are alleged sightings of North Korean "technicians" inside Burma. Martinez

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**EO 12958 DECL: 08/26/2014**  
**TAGS** PARM, PINR, PREL, KNNP, BM, KN  
**SUBJECT:** ALLEGED NORTH KOREAN INVOLVEMENT IN MISSILE ASSEMBLY AND UNDERGROUND FACILITY CONSTRUCTION IN BURMA  
**Classified By:** CDA, A.I. RON MCMULLEN FOR REASON 1.5 (A/C).  

**Summary** The report is one of many about alleged covert North Korean co-operation with Burma, which has repeatedly denied there are any North Koreans in the country. Key passage highlighted in yellow.
1. (S) SUMMARY: North Korean workers are reportedly assembling “SAM missiles” and constructing an underground facility at a Burmese military site in Magway Division, about 315 miles NNW of Rangoon, according to XXXXXXXXXXXX. This unsolicited account should not be taken as authoritative, but it tracks with other information garnered and reported via XXXXXXXXXXXX. End Summary.

2. (S) XXXXXXXXXXXX

3. (S) XXXXXXXXXXXX some 300 North Koreans are working at a secret construction site west of Mimbu, Magway Division, in the foothills of the Arakan Yoma mountains. (Comment: the number of North Koreans supposedly working at this site strikes us as improbably high. End comment.) The XXXXXXXXXXXX claims he has personally seen some of them, although he also reported they are forbidden from leaving the construction site and that he and other “outsiders” are prohibited from entering. The XXXXXXXXXXXX was confident that XXXXXXXXXXXX had the ability to distinguish North Koreans from others, such as Chinese, who might be working in the area. The exact coordinates of the camouflaged site are not known, but it is reportedly in the vicinity of 20,00 N, 94,25 E.

4. (S) The North Koreans are said to be assembling “SAM missiles” of unknown origin. XXXXXXXXXXXX the North Koreans, aided by Burmese workers, are constructing a concrete-reinforced underground facility that is “500 feet from the top of the cave to the top of the hill above.” He added that the North Koreans are “blowing concrete” into the excavated underground facility.

5. (S) The XXXXXXXXXXXX is supposedly engaged in constructing buildings for 20 Burmese army battalions that will be posted near the site. Of these, two battalions are to be infantry; the other 18 will be “artillery,” according to this account.

6. (S) [XXXXXXXXXXXX]

7. (S) COMMENT: The [XXXXXXXXXXXX second-hand account of North Korean involvement with missile assembly and military construction in Magway Division generally tracks with other information Embassy Rangoon and others have reported in various channels. Again, the number 300 is much higher than our best estimates of North Koreans in Burma, and exactly how the XXXXXXXXXXXX allegedly came to see some of them personally remains unclear. Many details provided XXXXXXXXXXXX match those provided by other, seemingly unrelated, sources.

8. (S) COMMENT CONTINUED: We cannot, and readers should not, consider this report alone to be definitive proof or evidence of sizable North Korean military involvement with the Burmese regime. The XXXXXXXXXXXX description made no reference at all to nuclear weapons or technology, or to surface-to-surface missiles, ballistic or otherwise. XXXXXXXXXXXX This account is perhaps best considered alongside other information of various origins indicating the Burmese and North Koreans are up to something ) something of a covert military or military-industrial
nature. Exactly what, and on what scale, remains to be determined. Post will continue
to monitor these developments and report as warranted. McMullen

Tuesday, 30 January 2007, 10:23
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SIPDIS
SIPDIS
STATE FOR EAP/MLS, EAP/RSP
EO 12958 DECL: 01/11/2017
TAGS PARM, PREL, ETTC, MNUC, BM, CH
SUBJECT: BURMA XXXXXXXXXXXX REPORT SENSITIVE SHIPMENT
Classified By: Econoff TLManlowe for Reasons 1.4 (b) and (d)

Summary Burmese sources help US embassy monitor shipments from Rangoon.
Although there is no evidence the shipment is anything other than what is on the
manifest, it shows both how the US gathers intelligence and its concerns about
possible uranium shipments. Key passage highlighted in yellow.

1. (S) Summary: Embassy contacts XXXXXXXXXXXX shared with us on
XXXXXXXXXXXXX documents for 112 metric tons of "mixed ore" shipped on January 25
from Burma to China via Singapore. XXXXXXXXXXXX noticed that authorities treated
the shipment as highly sensitive, and suspect it may have included uranium. Our
contact had no direct evidence to support this claim. End summary.

2. (S) XXXXXXXXXXXX, told emboffs that XXXXXXXXXXXX informed him they were
suspicious about the behavior of authorities when handling a January 25 shipment of
mixed ore from Rangoon. According XXXXXXXXXXXX, security was tighter than usual,
surveillance was heavier, and officials paid closer attention to the movement of the
shipment and activity at the port. XXXXXXXXXXXX also claimed that metals are usually
exported in blocks, whereas the bags in this shipment were filled with loose earth and
mud. The source of the mixed ore, Maw Chi, is also a source for uranium, they claimed.
XXXXX said the destination in China, Fang Chen, and the shipping line,
Advance Container Lines, were unusual for routine ore shipments. Shipments normally
go to other ports in China via Myanmar Five Star Line, the government-owned
shipping line, according to them. The shipper, Myanmar Ruby Enterprise, is a joint
venture, 30% owned by the Ministry of Mines. XXXXXXXXXXXX

3. (S) Key information contained in the documents we have seen includes: Carrier:
Advance Container Lines Co., Ltd. Shipper: Myanmar Ruby Enterprise Address: No.
24/26 Sule Pagoda Road, Kyauktada Township, Rangoon Shipped from Rangoon:
January 25, 2007 Vessel: Kota Teraju to Singapore Destination: Fang Chen, China Port
of Discharge: Fang Chen, Guang Xi, China Consignee: Yunnan Minmetals Trading Co.,
Ltd. Address: F/8 No. (408) Beijing Road, Kuming, PR China Shipment: Six containers
holding 3080 bags, 112.0049 net metric tons of Mawchi Mixed Ore: (tin, tungsten,
scheelite mixed concentrate) Value: 534,263.37 euros.
4. (S) We have no further information about the shipment or the reliability of the documents. We would be pleased to forward copies of the documents received to anyone interested. VILLAROSA

Tuesday, 23 September 2008, 08:59
S E C R E T RANGOON 000749
SIPDIS
FOR STATE ISN/CTR AND PM/ISO/PMAT (24/7)
DEPT PLEASE PASS TO DEPT OF ENERGY
EO 12958 DECL: 09/23/2018
TAGS KNNP, MNUC, PARM, KCRM, PTER, ASEC, KCOR, BM
SUBJECT: BURMESE CIVILIAN OFFERS TO SELL PURPORTED URANIUM 238 TO U.S. EMBASSY RANGOON, BURMA
REF: A. 2007 STATE 162091 B. USDAO RANGOON IIR 6 812 0131 08
Classified By: CDA Larry Dinger for Reasons 1.4 (b and d)

Summary Burmese civilian provides US embassy in Rangoon with a half-bottle alleged to contain radioactive material, and says he has access to large quantities. Cable highlights dangers of nuclear proliferation. Key passage highlighted in yellow.

1. (S//REL to USA, ACGU) Per Ref A, Post is alerting the Department and Washington agencies that on XXXXXXXXXXXX after USDAO Rangoon received guidance from DIA, a Burmese civilian met with members of USDAO Rangoon and offered to sell Uranium-238. The individual had initially contacted the USDAO eight days prior with the offer. The individual provided a small bottle half-filled with metallic powder and a photocopied certificate of testing from a Chinese university dated 1992 as verification of the radioactive nature of the powder. During XXXXXXXXXXXX interview, the individual claimed to be able to provide up to 2000 kg of uranium-bearing rock from a location in Kayah State XXXXXXXXXXXX, and further stated if the U.S. was not interested in purchasing the uranium, he and his associates would try to sell it to other countries, beginning with Thailand. See Ref B for further information.

2. (S//REL TO USA, ACGU) Details of the incident follow, keyed to questions in Ref A:

A) (S//REL to USA, ACGU) Current location of the material: Sample bottle is in transit via classified Diplomatic Pouch to Aberdeen Proving Grounds via DIA.

B) (S//REL to USA, ACGU) Transportation status of material: sample bottle in transit through diplomatic courier service. The sample was wrapped in several layers and placed inside multiple containers, including glass, lead, and wooden boxes/crates. Following instructions from DIA headquarters, USDAO has sent the package via Diplomatic Pouch to Aberdeen Proving Grounds, through DIA, 3100 Clarendon, Arlington, VA. The box is marked "Secret." Dimensions are 16 X 16 X 8 inches. Embassy Rangoon assesses that the host nation is currently unaware of USDAO receipt and shipment of the material. However, the possibility cannot be dismissed that rather than a sale for profit, the seller is attempting to assist in executing a government entrapment scheme.
C) (S//REL to USA, ACGU) As noted, Post assesses that the Burmese government is currently unaware of USDAO receipt and shipment of the sample. Burmese authorities would likely seize any additional samples or stocks of the material if aware of their existence.

D) (S//REL to USA, ACGU) Sample is in transit by commercial air via Diplomatic Pouch.

E) (S//REL to USA, ACGU) Intended destination of material: The subject indicated his first choice for a possible buyer of the alleged uranium is the United States, via the Embassy in Rangoon. Other stated options include the Thai and Chinese Embassies. His intent appears to be to sell the material in Rangoon. Subject made no mention of intent to move material across borders.

F) Unknown.

G - J) (S//NF) Subject identified himself as XXXXXXXXXXXX .

(S//REL TO USA, ACGU) The subject brought with him a small bottle weighing 1.8 ounces and measuring 70 mm long by 26 mm in diameter, which was half-filled with a grey metallic powder. He claimed the material in question was Uranium-238 in powder form. The subject claims to represent a small group that wants to sell uranium to the U.S. Embassy. According to the subject, he has 50 kilograms of uranium-containing rock or ore at an undisclosed location in Rangoon, which is stored in a barrel that prevents the radioactivity from being toxic XXXXXXXXXXXX . He estimates there are at least 2000 more kilograms that could be dug up from the site in Kayah State. The uranium was only recently brought to Rangoon (subject would not give a specific time frame). The subject claimed the uranium was discovered in Kayah state in 1992. XXXXXXXXXXXX (S//REL TO USA, ACGU) The subject claimed XXXXXXXXXXXX know about the uranium. XXXXXXXXXXXX

K) N/A.

L) N/A.

M) (S//REL TO USA, ACGU) Interview occurred in a consular interview room (used for walk-ins) at the U.S. Embassy Rangoon.

N) Additional details: Ref B contains all other available information related to this incident.

3. (SBU) XXXXXXXXXXXX DINGER

Friday, 07 August 2009, 10:51
S E C R E T RANGOON 000502
SIPDIS
STATE FOR EAP/MLS, INR/EAP,
PACOM FOR FPA
1. (S) Australian Ambassador to Burma Michelle Chan informed CDA that XXXXXXXXXX told her the Burma-DPRK connection is not just about conventional weapons. There is a peaceful nuclear component intended to address Burma’s chronic lack of electrical power generation. When Chan cited reports of a Burma-Russia agreement for development of a peaceful nuclear reactor, XXXXXXXXXX responded that the agreement with Russia is currently just for “software, training.” The DPRK agreement is for “hardware.” XXXXXXXXXX confirmed reports Burma’s Army Chief of Staff (third highest ranking) General Thura Shwe Mann visited the DPRK last November. Asked why Thura Shwe Mann, XXXXXXXXXX responded, “Because he is in charge of all military activities.” XXXXXXXXXX reportedly seemed surprised that the West might be concerned by a Burma-DPRK “peaceful” nuclear relationship. XXXXXXXXXX suggested that, after all, given sanctions, Burma really has “no other options” but to develop the relationship with North Korea.

Comment

2. (S) XXXXXXXXXX DINGER

Tuesday, 10 November 2009, 09:35
S E C R E T RANGOON 000732
SIPDIS
DEPT FOR EAP/MLS, INR/EAP
PACOM FOR FPA
EO 12958 DECL: 11/10/2019
TAGS KNNP, PARM, PREL, NPT, PGOV, PINR, KN, BM
SUBJECT: BURMA: ANOTHER CONVERSATION ABOUT BURMA-DPRK NUCLEAR ISSUE
REF: RANGOON 502
Classified By: CDA Larry Dinger for Reasons 1.4 (b) & (d)

1. (S) [NAME REMOVED], who on [DETAILS REMOVED] informed Australian Ambassador Chan in Rangoon that Burma and the DPRK were engaged in "peaceful nuclear cooperation" (reftel), has changed [DETAILS REMOVED] story. In a November 9 conversation with Ambassador Chan, [NAME REMOVED] said there had been a "misunderstanding." After Chan’s "blunt" response to the August revelation (Chan had responded with incredulity to the thought that the GOB might consider nuclear cooperation of any sort with the DPRK to be acceptable), [NAME REMOVED] had checked around Nay Pyi Taw. [DETAILS REMOVED] now says GOB-DPRK conversations were merely "exploratory." [NAME REMOVED] cannot confirm any direct nuclear cooperation. [DETAILS REMOVED] added that, in any case, the Kang Nam 1 affair and Secretary Clinton’s remarks in Phuket in July “put everything on hold.”
2. (S) [NAME REMOVED] observed that Russia is the key GOB partner for a nuclear reactor, but [DETAILS REMOVED] said there has been no progress. Russia has proposed a commercial deal, and the GOB cannot afford it. [NAME REMOVED] added that many countries have relations with the DPRK, including Australia, "so why worry?!"

Comment

3. (S) As with many issues in Burma, the truth behind and possible motivations for [NAME REMOVED] first version and the recent revision are difficult to ascertain. Ambassador Chan now believes [DETAILS REMOVED] was simply speculating in August and has corrected the record. We were not in the actual conversations, but to us [DETAILS REMOVED] revision sounds more like an effort to cover a lapse in judgment than to deny the earlier story outright. The comment about the Kang Nam 1 and the Secretary’s remarks having "put everything on hold" leave room for concern. That noted, other of [NAME REMOVED] comments have caused us to question just how well plugged in [NAME REMOVED] is on the "nuclear" issue. Bottom line: GOB-DPRK cooperation remains opaque. Something is certainly happening; whether that something includes "nukes" is a very open question which remains a very high priority for Embassy reporting. DINGER

12/12/10

South Korean officials brushed off as "unrealistic" Japanese Prime Minister Kan Naoto’s remarks on a possible dispatch of his country’s Self-Defense Forces (SDF) to the Korean Peninsula in case of contingencies. In a meeting two days ago with the families of Japanese nationals abducted by North Korea, Kan was quoted as saying that his government plans to hold talks with South Korea on sending SDF to rescue the abductees in the event of a contingency in the region. "I don’t know in what context Prime Minister Kan’s remarks were made," an official at the South Korean presidential office Cheong Wa Dae said, adding that they may not have come after thorough consideration. The Korean official said criticisms by Japanese media indicate that there was not anything concrete being planned. "Following the North’s attack on Yeonpyeong Island, South Korea has strengthened strategic communication with the United States and Japan. But we are not in a situation to discuss that kind of an idea. (The two sides) have not had deep discussions on the issue," the Cheong Wa Dae official said on condition of anonymity. Some officials saw Kan’s remarks as aimed at conservatives in his country who demand revising Japan’s pacifist constitution that limits the dispatch of its troops overseas and bans the settlement of international disputes through the use of force. "There was no discussion (on the issue) with the South Korean government in advance," a senior official at Seoul’s foreign ministry said, adding that Seoul was “rather surprised” by Kan’s comments. (Yonhap, S. Korea Calls Kan’s Remarks on Japanese Troops Dispatch 'Unrealistic,' December 12, 2010) The traditionally uneasy relationship between Tokyo and Seoul turned chillier last week when PM Kan said his country’s military, known as the Self-Defense Forces, could be dispatched to South Korea to whisk Japanese nationals out of harm’s way. The comments were meant to reassure Japanese citizens about potential threats from North Korea or China, but instead they raised concerns about the likelihood of Japan’s rearmament. “Many Koreans still recall the brutality of Japanese colonization, so it’s still not possible to talk of better military ties with Tokyo,” said Moon Hong-sik, a research
A senior 
Japanese government 
official, who spoke on condition of anonymity, said Tokyo had 
not reached out to Seoul regarding any scenario that would bring Japanese troops to 
the Korean peninsula. "How we would protect Japanese overseas in various 
contingencies is a hypothetical question," he said, "and any country would be 
prepared to do the same thing." Some experts think Kan's comments were aimed at 
shoring up support at home, where his approval rating has plummeted to 21%, the 
lowest since he took office in June, pollsters say. The popularity swoon is fueled in part 
by discontent over the government's handling of recent diplomatic rows with Beijing, 
including Tokyo's seizure this summer of a Chinese fishing trawler that had collided 
with two coast guard vessels off the Japanese coast. "South Korea gets concerned over 
anything involving Japan increasing certain types of military capabilities or the erosion 
of legal constraints," said Daniel Pinkston, a Korea expert for the think tank 
International Crisis Group. "That makes them very uneasy, much faster than it does the 
U.S." Seoul is also closely watching as Japan's Defense Ministry updates its National 
Defense Program Guideline, the first since 2004. South Korea has little to fear from 
Kan's remark, said Sheila Smith, a senior fellow at the Washington-based Council on 
Foreign Relations. The South Korean military was conducting drills near the island last 
month, and the North indicated that it considered the exercises preparation for an 
invasion. "The Japanese don't have any ambition to be part of the conflict on the 
Korean peninsula," Smith said. "What has gotten people worried is the current tempo 
of tensions in the Koreas. Many nations are looking at their own contingency plans and 
saying, 'Oh my God, what if?' "(John M. Gionna and Kenji Hall, "North Korea Shelling 
Stirs up Japan-South Korea Tensions," Los Angeles Times, December 15, 2010)
the Lee government was the determination that it might be possible to use citizen indignation toward North Korea to deal a simultaneous blow to North Korea and the opposition and quell criticisms of the government’s flawed response to the attack. Backing this hardline drive by the ruling party were certain conservative outlets that attempted to amplify the situation by branding those calling for a peaceful response as “internal enemies” and calling for a resolute response. In particular, *JoongAng Ilbo* commentator Kim Jin wrote a November 29 column entitled “The F-15K Is Weeping,” in which he criticized the government for not bombing North Korea with fighter planes and said, “Pyongyang will be Baghdad within a few days.” On December 6, he likened the attack on Yeonpyeong Island to a thug sexually violating the wife in front of a helpless husband. There was also an anachronistic reprise of “pro-communist” allegations. In a four-installment feature beginning on December 4, entitled “The Only Way to Preserve Peace Is to Guard the Front,” the *Chosun Ilbo* made the Kim Dae-jung and Roh Moo-hyun administrations, civil organizations, and the Korean Teachers’ and Educational Workers’ Union (KTU, Jeon Gyo Jo) out to be the cause of the Yeonpyeong bombardment. The *Dong-A Ilbo* also ran an editorial on December 2 in which it characterized calls for a peaceful resolution as “intended to deal a blow to a conservative administration through support for North Korea and opposition to the U.S., and ultimately to destabilize the Republic of Korea.” But many observers say this attitude from the ruling party and conservative media represented “national security commercialism,” an attempt to exploit popular anger for political gains. It enables ruling party is able to seize the political initiative while dodging criticisms of national security incompetence. Indeed, the GNP cited a “quasi-wartime state” as one of its reasons for unilaterally pushing through the 2011 budget December 8. It also presents a golden opportunity for military reinforcement for the armed forces and weapons sales for the munitions industry. “The anger South Koreans feel is justified, but what they want is crisis management and the establishment of peace, not all-out war,” said Chung-Ang University Professor Shin Jin-wook. “But the ruling party is going in entirely the opposite direction.” Shin added, “This is a time when a realistic and rational response is required.” Meanwhile, a key staff officer who was in a position to know the detailed situation in the Cheong Wa Dae (the presidential office in South Korea or Blue House) and military at the time of the Yeonpyeong Island attack said that a direction to prevent escalation was indeed communicated to the military, contrary to the Cheong Wa Dae’s official account. “As soon as the North Korean attack on Yeonpyeong Island became known, the Cheong Wa Dae emphasized the importance of preventing escalation and determining the situation with civilian casualties to the Ministry of National Defense,” the officer said December 10. (Ahn Chang-hyun, “GNP Commences National Security Drive,” *Hankyore*, December 12, 2010)

South Korea and the United States have formed a joint committee to make decisions about the alliance’s nuclear policy, stepping up their commitment to deterring threats from North Korea’s nuclear programs and other weapons of mass destruction, officials here said. The Extended Deterrence Policy Committee was officially set up at a meeting of the Security Policy Initiative (SPI) forum in Seoul earlier in the day between senior defense officials from the two nations, the South’s defense ministry said in a statement. “The Extended Deterrence Policy Committee was launched as the two sides signed terms of reference to systemize it,” said a senior ministry official.
"Institutionalizing the committee is meaningful for the alliance because it paves the way for the two governments to draw up countermeasures against North Korea's nuclear threats and weapons of mass destruction," the official said. (Yonhap, “S. Korea, U.S. Launch Joint Committee to Deter N. Korea’s Nuclear Threats,” December 13, 2010)

North Korea warned that U.S.-South Korean cooperation could bring a nuclear war to the region, as the South began artillery drills. The South’s naval live-fire drills are scheduled to run today through December 17 at 24 sites. A South Korean Joint Chiefs of Staff officer tried to play down the significance of this week’s drills, saying they are part of routine military exercises and would not occur near the disputed western Korean sea border where last month’s attack took place. The officer, who spoke on condition of anonymity because of office policy, gave no further details. North Korea, however, lashed out at Seoul, accusing South Korea of collaborating with the United States and Japan to ratchet up pressure on Pyongyang. That cooperation “is nothing but treachery escalating the tension between the North and the South and bringing the dark clouds of a nuclear war to hang over the Korean peninsula,” Rodong Sinmun said in a commentary. (Kim Hyung-jin, “N. Korea Threatens S. Korea with Nuclear War,” Associated Press, December 13, 2010)

In talks with his visiting North Korean counterpart, Pak Ui-chun, Russian FM Sergey Lavrov said that the attack "deserves condemnation" and expressed deep concern over mounting tensions on the Korean Peninsula, according to Moscow’s foreign ministry. But KCNA, reporting on the talks in Moscow, made no mention of the Russian criticism, only saying the two sides "exchanged views on the issue of developing the friendly and cooperative relations between the DPRK and Russia, the situation on the Korean Peninsula and other issues of mutual concern." (Yonhap, “N. Korea Skips Mention of Russia’s Criticism on Artillery Attack,” Korea Herald, December 14, 2010) DPRK FoMin spokesman: “Pak Ui Chun, foreign minister of the DPRK on a visit to Russia at the invitation of its Foreign Minister Sergei Lavrov, had talks with his Russian counterpart and signed the 2011-2012 plan for exchange between the two foreign ministries in Moscow on December 13. At the talks both sides estimated the fact that the two countries jointly commemorated in a significant manner the 10th anniversary of the DPRK-Russia joint declaration and the conclusion of the DPRK-Russia treaty this year and had an in-depth discussion on the matters of further developing the traditional DPRK-Russia relations of friendship and cooperation before reaching an agreement of views. An open-hearted exchange of views was also made there on regional and international issues of mutual concern. The Russian side gave a profound understanding of the DPRK’s stand toward the grave situation recently prevailed on the Korean Peninsula and expressed deep apprehension over the facts that the Yonphong Island incident occurred due to south Korea’s provocation and the U.S. and south Korea have staged large-scale military exercises one after another, steadily aggravating the situation of the peninsula. On the LWR construction and production of enriched uranium for fuel supply by the DPRK, the Russian side took notice of the DPRK’s stand that nuclear activity for peaceful purposes is the independent right of each country. Both sides agreed to make joint efforts to defend peace and stability of the Korean Peninsula through bilateral and multilateral talks, including the six-party
talks, in keeping with the spirit of respect for sovereignty and the principle of simultaneous action stipulated in the September 19 Joint Statement.” (KCNA, “DPRK FM Spokesman on Talks between DPRK and Russia,” December 14, 2010)

Joel Wit: “As James Steinberg, the U.S. deputy secretary of state, leaves for Beijing this week to discuss North Korea’s most recent provocation, it is tempting to describe his trip using time-worn quotations from two well-known foreign-policy experts: Yogi Berra (it’s “déjà vu all over again”) and Albert Einstein (the definition of insanity is trying the same thing over and over again and expecting a different result). Don’t get me wrong. The North’s recent artillery attack on South Korean territory requires a tough response, or as tough as the United States, South Korea, and Japan can get without precipitating another Korean war. That translates into more military exercises, statements condemning Pyongyang and pledging closer trilateral cooperation, sending the chairman of the Joint Chiefs of Staff to the region, and working more closely together in the future, for example, on military exercises. All are designed to show North Korea that the United States means business and put pressure on the Chinese to rein in Pyongyang. But will they work? Weren’t the joint military exercises held this summer after the sinking of the Chenoan supposed to deter future attacks, like the artillery barrage? That doesn’t mean the United States shouldn’t take those steps -- or any others that will improve its conventional defenses. But nor should American diplomats kid themselves. Fifty years of history, if not just pure logic, tell Kim Jong Il that the United States and South Korea will not risk escalation. Just read recently declassified documents about the Richard Nixon administration’s deliberations on how to respond to North Korea’s unprovoked shoot-down of an American EC-121 spy plane in 1969, which killed all the crew members on board. Nixon’s initial impulse to be tough was toned down over time by recognition of the reality that Washington and Seoul have too much to lose in a fight with Pyongyang. It’s also wrong-headed to think China will bring North Korea to heel. Beijing is probably working behind the scenes to encourage Pyongyang to exercise restraint, just as it did after the Chenoan was sunk. But it is wrong to think that all China has to do is snap its fingers and the North will fall into line. Exercising the potential leverage provided by its extensive ties with Pyongyang is very difficult, in part because no North Korean leader worth his salt is going to knuckle under to Beijing. More public pressure on China isn’t helpful, either. Chinese leaders are not going to abandon a core national interest in North Korea’s stability and throw Pyongyang overboard because Americans say they should. U.S. leverage, moreover, is limited; threatening closer U.S., South Korean, and Japanese diplomatic and military cooperation isn’t going to budge Beijing. If anything, it may backfire, reinforcing arguments made by Chinese hardliners that Washington’s real agenda is not just to deal harshly with Pyongyang but also to encircle and contain China.

All of this reflects a much bigger problem. The Obama administration’s policy of “strategic patience” -- refusing to engage Pyongyang based on the false assumption that a politically and economically unstable North Korea can be contained -- has been a train wreck waiting to happen for some time now. It’s a policy fixated more on process (maintaining the integrity of the six-party nuclear talks in close consultation with allies) and domestic politics (avoiding Republican criticism) than on securing national interests -- with the risks of talking to North Korea seen as far greater than the
dangers of the status quo. Anyone who has experience dealing with North Korea, however, knows that Pyongyang cannot be contained through pressure alone. Strategic patience is failing on all fronts: building peace and security on the Korean peninsula, curbing and eventually eliminating North Korea’s nuclear program, and stopping the spread of weapons technology. As first demonstrated by the Chenoan’s sinking last spring, the signs of failure have become clear and unmistakable with the recent tragic artillery attack and the surprise unveiling of Pyongyang’s new uranium enrichment program. Unless the United States changes course, the threat to its interests and those of its allies will get much worse in the months ahead. Expect more provocations, escalation, and possibly even war.

Equally dangerous, Pyongyang stands on the threshold of a significant expansion of its nuclear arsenal. Up until now, one could argue that the North seemed satisfied with a small stockpile of less than 10 weapons. But like every country that has built nuclear weapons and seemed satisfied with a "minimum deterrent," that can quickly go by the boards. The North’s new uranium enrichment program is a clear sign that we may be on the brink of such an expansion. One obvious next step for the North will be to restart its 5-megawatt reactor at Yongbyon and irradiate its remaining 14,000 fresh fuel rods, which contain enough plutonium to at least double its existing stockpile over the next few years. The North Koreans implied as much during my recent visit, along with some colleagues, to Pyongyang in mid-November. Another provocative nuclear test and more missile tests may also be in the works. And if the North is allowed to continue its enrichment program unimpeded, the danger of nuclear exports will grow as well.

Instead of continuing to stumble forward with a failed approach that is inimical to U.S. national interests, the United States needs a realistic strategy designed to secure those interests. My colleagues Robert Carlin and John Lewis recently argued in the Washington Post that it is time for a review of U.S. policy towards North Korea. I applaud the sentiment. In the late 1990s, former U.S. Defense Secretary William Perry led such a review, which played a significant role in setting U.S. policy on the right track. (Unfortunately, a reinvigorated high-level diplomatic effort -- with the support of South Korea, Japan, and China; the prospect of a visit by President Bill Clinton to Pyongyang; and a landmark shift away from 40 years of U.S.-North Korean hostility -- was killed by the election of George W. Bush.) The main objective of a review would be to discard the current failed approach and to devise a new strategy for dealing with Pyongyang. That will mean answering a number of questions, such as: What additional steps might be taken to bolster the U.S. military posture in the region, given the budgetary limitations going forward? What role can negotiations play in reducing the danger of future provocations, the growth of the North Korean nuclear threat, and the danger of nuclear exports, understanding that Pyongyang is unlikely to eliminate its nuclear program in the immediate future? How might Washington rebuild cooperation with Beijing and at the same time reduce its reliance on China to solve this problem, given their fundamentally different national interests? How might the United States indirectly encourage ongoing societal changes in North Korea that can, over time, help its people build ties with the outside world? What role should South Korea and Japan play in U.S. policy? The review should allow a greater role for diplomatic efforts with North Korea. The catchy phrases used by this administration to describe its view of diplomacy -- it will not talk for the sake of talking, buy the same horse twice, or start negotiations unless the North demonstrates its seriousness -- betray not only a
fundamental misreading of history but also mask its own uncertainty about what to do and its desire to shield itself from domestic criticism. Based on our recent discussions with senior North Korean officials in Pyongyang, more active American diplomacy could prove effective in starting to secure U.S. interests. Pyongyang will have its own reasons for responding to American diplomacy, including discomfort with China’s close embrace. U.S. diplomats shouldn’t hesitate to take advantage of this geopolitical reality, particularly since a more active American effort, which China will have no choice but to support, can also help push Beijing out of the role of central actor into a supporting role in this unfolding drama. In the meantime, since a policy review could take months to complete, the Obama team needs to make sure a bad situation does not get worse, not just by bolstering defenses, but also by conducting creative diplomacy. During our discussions in Pyongyang, the North Koreans clearly indicated they were willing to take limited but important steps forward in the near term, particularly on the denuclearization front. Given the current difficult situation, any such steps will have to pass a litmus test, demonstrating a serious, renewed North Korean commitment to moving in a more positive direction backed up by irreversible concrete measures. Despite the recent artillery attack, a window of opportunity may exist, but probably not for long.

Although Steinberg’s dialogue of the deaf with the Chinese is not likely to produce any results, another trip this week offers more interesting possibilities. On Tuesday, former New Mexico governor Bill Richardson will travel to North Korea to meet with senior officials, possibly including Kim Jong Il. His visit may provide a unique opportunity to identify common ground, if it exists, and to start a process of discerning a way forward. There are no easy paths when it comes to North Korea. But based on how “strategic patience” is working so far, it would be folly not to change course. (Joel Wit, “Time to Get Serious about North Korea,” Foreign Policy, December 13, 2010)

Army Chief of Staff Hwang Eui-don applied for retirement, according to the Ministry of National Defense, after the media reported that he bought real estate with inside information from the Army. President Lee Myung-bak accepted his resignation. The retirement makes Hwang the shortest-serving top Army commander in South Korean history. “Regarding the reported wealth accumulation process, Chief of Staff Hwang made a decision that it is not proper to keep commanding the Army at a critical time for reforming the Army,” said a ministry spokesman. “He delivered his intention to resign to the president, and the president accepted it.” News reports said Hwang purchased a building in Seoul’s Yongsan District, near the headquarters of the Defense Ministry, in August 2002 while serving as spokesman for the ministry. Four months later, the government eased restrictions on building heights in the area, triggering a surge in property values. The value of the building bought by Hwang rose 3.8 times in the past eight years. (Moon Gwang-lip, “Army Boss out after Reports of Iffy Property Deal,” JoongAng Ilbo, December 14, 2010) Gen. Kim Sang-ki, commander of the Third Army, has been named as the country’s new Army chief of staff, the Defense Ministry said December 14. “Gen. Kim was nominated by Defense Minister Kim Kwan-jin based on several considerations, including his expertise in defense policy and achievements as a field commander in the Army,” Kim Min-seok, a ministry spokesman, told reporters. The Army chief nominee served as deputy defense minister overseeing defense policy
North Korea has "at least one other" uranium enrichment site than that disclosed to US experts last month, State Department spokesman Philip Crowley said. "We’re very conscious of the fact that, in the recent revelations to American delegations, what they saw did not come out of thin air. It certainly reflects work being done at at least one other site," Crowley told reporters. "This remains a significant area of concern," he said, adding he did not want to get into intelligence matters. (AFP, "North Korea Has At Least One Other Uranium Enrichment Site: U.S.,” December 14, 2010) The Obama administration has concluded that North Korea’s new plant to enrich nuclear fuel uses technology that is "significantly more advanced" than what Iran has struggled over two decades to assemble, according to senior administration and intelligence officials. In carefully worded public comments in recent days, both senior American and South Korean officials have also argued that the new plant, a facility shown to a Stanford University expert last month, could not have been constructed so quickly unless there was a sophisticated network of other secret sites – and perhaps a fully running uranium enrichment plant – elsewhere in the country. These conclusions strongly suggest that North Korea has evaded the many layers of economic sanctions imposed by the United Nations Security Council and America’s allies in Asia. The conclusions also greatly complicate the task for American diplomats – including a senior delegation of State Department and White House officials who left for China today – who have been struggling for weeks now to fashion a plan to contain North Korea’s nuclear advances and prevent a repetition of its recent attack on the South. North Korea already has the fuel for six to a dozen weapons and has conducted two nuclear tests, a capability it developed from harvesting plutonium from a recently shuttered nuclear reactor. The uranium enrichment facility could give the country another pathway to increasing its nuclear arsenal. But in interviews American officials said that was not their main concern. Instead, they are worried that the real intent of showing off the new capability to the Stanford expert, Siegfried S. Hecker, a former director of Los Alamos National Laboratory, and two of his Stanford colleagues, was to advertise North Korea’s wares. On December 10, Gary Samore, President Obama’s chief nuclear adviser, said for the first time that “the North Korean program appears to be much more advanced in and efficient than the Iranian program, which is running into problems.” Reports from international inspectors indicate that the Iranians are experimenting with advanced centrifuges, but have not installed them on an industrial scale, despite years of efforts. Those efforts have been slowed by sabotage, officials said. “The U.S. and its allies are doing everything we can to try to make sure that we complicate matters for them,” Samore added. After alluding to a secret North Korean effort to help Syria build an entire nuclear reactor, which was ultimately destroyed by Israel in a 2007 bombing raid, Mr. Samore said that the new North Korean centrifuges could be attractive to other nations. He added that “a critical element” of American strategy must now be “to
insure that the North Koreans don’t sell to the Middle East.” But that has been attempted before, and efforts to halt shipments have been spotty at best. (David E. Sanger and William J. Broad, “North Korean Nuclear Ability Seen to Far Outpace Iran’s,” New York Times, December 15, 2010, p. A-13) “I think one has to assume that there are today additional undeclared enrichment-related facilities in North Korea,” a senior US administration official told the Financial Times. “Clearly they didn’t begin their enrichment programme in the summer of 2009 [as North Korea claims]. They weren’t able to have this facility in 15 months from a standing start without extensive work beforehand.” An unnamed South Korean official told Chosun Ilbo that Seoul and Washington believed North Korea had “three or four” enrichment sites, not including Yongbyon. Mark Fitzpatrick, a nuclear proliferation expert at the International Institute for Strategic Studies, argues that if North Korea had indeed previously installed centrifuges at a separate site, it probably acquired many of the components some time ago. That would be before sanctions imposed by UN Security Council Resolution 1874 and would help explain the partial mystery over who supplied North Korea’s program. The US official stressed Pyongyang had acquired centrifuges, design data and a list of suppliers from the disbanded Pakistan-based A.Q.Khan network. “They may have got some of this stuff after 1874, but since the resolution was only last year, much of it would have been before,” he said. (Daniel Dombey, “N. Korea Hiding More Nuclear Facilities, Says U.S.,” Financial Times, December 15, 2010, p. 2) Foreign Minister Kim Sung-hwan said he could not confirm a media report that Pyongyang had three to four plants to enrich uranium but he suspected there were facilities in the North in addition to the Yongbyon nuclear complex. “It is a report based on what is still intelligence and let me just say that we have been following this issue for some time,” he told a press briefing. The prospect of more plants capable of producing materials that could be used in a nuclear weapons program raises the risk that North Korea expands its nuclear plans as it seeks to wrest concessions and aid from restarting disarmament talks. (Jack Kim and Chris Buckley, “South Korea Suspects North Has More Uranium Sites,” Reuters, December 14, 2010)

North Korea appears to be readying for a possible third nuclear test as early as next March, Chosun Ilbo reported, cited an intelligence official from Seoul as saying a tunnel was being dug at the country’s nuclear test site that could be completed in March next year, possibly heralding a new nuclear test. U.S. and South Korean intelligence have been watching the North’s nuclear sites for any activity. Analysts say the North could use a test to try to gain leverage in international talks it is seeking and secure aid to prop up its destitute economy. South Korea’s foreign ministry said it was closely monitoring the site and said there was no concrete evidence to show the North Koreans were preparing for a third test. The amount of earth removed from the site in Punggye township, in a northeastern region of North Korea, indicated the tunnel was about 500 meters (550 yards) deep, half the depth needed for a nuclear test, the Chosun Ilbo report said. “North Korea is digging the ground pretty hard ... at its two major nuclear facilities,” a South Korean intelligence official was quoted as saying. “At this rate, (the Punggye tunnel) will reach (the) 1 km that is needed for a nuclear test by March to May,” a separate intelligence source told the newspaper. (Jack Kim, “North Korea Digging Tunnel for Spring Nuclear Test: Report,” Reuters, December 15, 2010)
Russian PM Vladimir Putin urged North Korea to “unconditionally comply with UN Security Council resolutions” on its nuclear development. According RIA Novosti, Putin and his Mongolian counterpart Sükhbaataryn Batbold issued a joint statement after their talks held in Moscow on Tuesday afternoon. It stressed the need to resume the six-party nuclear talks to discuss the nuclear issue on the Korean Peninsula and urged North Korea “to unconditionally comply” with UNSC resolutions 1718 and 1874.

(Chosun Ilbo, “Putin Urges N. Korea to Comply with UN Resolutions,” December 16, 2010)

The question being asked in Washington, Seoul and Tokyo is: how urgent a threat does Pyongyang now represent? At stake is the sustainability of the U.S. approach of “strategic patience,” which seeks to apply pressure on North Korea rather than giving it concessions. That tactic depends on U.S. efforts to convince China to step up pressure on Pyongyang. First impressions might suggest the U.S. approach is flawed since North Korea seems to have put in place an apparently extensive uranium enrichment program despite sanctions. However, a senior U.S. official told the Financial Times that North Korea obtained much of its nuclear equipment before UN sanctions last year. “It wouldn’t be shocking to the U.S. if North Korea were to announce the existence of another enrichment site,” said another U.S. official. “They haven’t exactly been careful about tipping the world off to their enrichment activities. They’ve made some boneheaded moves that have accelerated our ability to learn what they’re up to.”


For at least a few minutes today, South Koreans everywhere - in border towns and beach towns, offices and schools - play-acted a worst-case scenario. As part of the largest South Korean civil defense drill in 35 years, a dozen fighter jets flew low over the cities of Seoul and Pusan, staging a mock attack. When air-raid sirens went off at 2 p.m., police tried their best to stop traffic nationwide. Workers, shoppers and tourists were directed into subway stations. Many, including Kim’s students, tried their best to grasp a threat that only recently had ceased to feel abstract. (Chico Harlan, “Back to Practicing the Worst-Case Scenario,” Washington Post, December 16, 2010, p. A-8)

12/16/10 DPRK FoMin spokesman statement: “The U.S. is keen on stirring up a war atmosphere on the Korean Peninsula and in its vicinity while persistently sidestepping proposals for dialogue with all kinds of preconditions. Lurking behind this attitude of the U.S. is a sinister strategic scenario to obstruct the economic construction in the DPRK and establish a military domination on it and thus use its military deterrence agains its neighboring countries. The DPRK is at a very important juncture in which it should channel all its efforts into the economic construction as it should attain the goal to open the gate to a thriving nation in 2012. In expanding foreign investment in the country it requires a stable peaceful atmosphere, not a war atmosphere. In order to disturb the environment necessary for focusing efforts on the economic construction in the DPRK the U.S. is employing a trick to strain the situation and, at the same time, pass the buck for it to the DPRK. This is evidenced by the fact that it is trying to make the public believe that the situation remains tense and dialogue is not opened because the DPRK ‘violates’ international agreements and perpetrates ‘provocative
actions.’ The history and the reality go to prove that it was none other than the U.S. that has systematically breached all the international agreements calling for peace and stability on the Korean Peninsula. It was again the U.S. that introduced nuclear weapons into south Korea, scrapping the Armistice Agreement and causing the nuclearization of the peninsula, not content with shipping war equipment there in gross violation of the AA in 1953. It is still not implementing the resolution 3390 of the UN General Assembly held in 1975 which calls for replacing the AA by a peace treaty and disbanding ‘the UN Forces Command.’ The U.S. also violated the 1994 DPRK-U.S. Agreed Framework and reduced to a dead paper the U.S. President’s message of assurances in which it promised to provide two light-water reactors to the DPRK till 2003. It was also none other than the U.S. which increased the military threat to the DPRK in violation of the DPRK-U.S. joint statement adopted in June, 1993 which called on both sides to refrain each other from using armed forces including nuclear weapons and posing a threat with such armed forces and the DPRK-U.S. joint communiqué adopted in October, 2000 in which both sides vowed not to antagonize each other. The U.S. also violated the spirit of mutual respect and equality, the provisions for the normalization of relations and ensuring peace and the principle of simultaneous actions on which an agreement was reached in the September 19 joint statement adopted at the six-way talks in 2005. It is also preposterous for the U.S. to take issue with the DPRK’s nuclear activities for peaceful purposes under the pretence of dodging dialogue. **The DPRK’s independent building of LWRs and its production of enriched uranium for their fuel are nuclear activities for the peaceful purpose to produce electricity.** The right to peaceful use of nuclear energy is the universally recognized right which the countries inside and outside the NPT substantially exercise on the principle of equality and this right of the DPRK is stipulated in the above-said joint statement, too. All these facts clearly indicate who truly desires dialogue and peace on the peninsula and who wants confrontation and war atmosphere. **The DPRK supports all proposals for dialogue including the six-party talks, prompted by the desire to prevent a war and realize denuclearization on the Korean Peninsula but will never beg for it.** (KCNA, “FM Spokesman Accuses U.S. of Sidestepping Proposals for Dialogue,” December 16, 2010)

KCNA: “The puppet warmongers of south Korea are set to fire again shells into the territorial waters of the DPRK north of the maritime guard line of the Korean People’s Army from December 18 to 21 by mobilizing lots of striking equipment newly introduced into the island, blatantly challenging the unanimous aspiration and demand of the people at home and abroad desirous of peace and security on the Korean Peninsula. They are floating information that the projected shelling from Yonphyong Island is a routine annual drill to be periodically conducted in waters of the south side south of the ‘northern limit line.’ The waters off Yonphyong Island, the target of their shelling, are the inviolable territorial waters of the DPRK. ...It is the ulterior intention of the newly installed puppet military to save the face of the south Korean military which met a disgraceful fiasco by perpetrating the second adventurous shelling from Yonphynong Island. Through this the group of traitors craftily seeks to save its hardline policy towards the north, a policy against the nation, peace and
reunification, from total failure and preserve the illegal ‘northern limit line.’ No one in
the world would allow those who drew a line inside other’s court, without its owner’s
knowledge, and insist it belongs to them and shamelessly conduct saber-rattling to
preserve it. What should not be overlooked is that even the U.S. imperialist aggressor
forces present in south Korea are openly shielding the puppet military warmongers’
shelling exercises on Yonphyong Island, asserting that it is ‘not a violation of the
Armistice Agreement.’ Even riff-raffs belonging to the already defunct Military Armistice
Commission are coming to the island under the guise of ‘observers’ in a bid to take a
direct part in providing military assistance to the provocative shelling drill in
communication, medical care, etc. **The head of the delegation of the KPA side to
the north-south general-level military talks sent the following notice to the south
Korean puppet forces at 12:20 on Friday** in connection with the fact that the puppet
military warmongers’ reckless military provocations reached a grave phase under the
wire-pulling of their American master: **The puppet military warmongers should take
a prompt measure to stop the planned provocative maritime shelling from
Yonphyong Island. In case they conduct the above-said shelling at last despite
the warning served by the KPA in advance, it will deal the second and third
unpredictable self-defensive blow at them to protect the inviolable territorial
waters of the DPRK as it had declared before the world. It will be deadlier than
what was made on November 23 in terms of the powerfulness and sphere of the
strike. The south Korean group of traitors and the puppet military warmongers had
better cogitate about the KPA’s warning.** (KCNA, “KPA Demands S. Korea to Stop Plan
for Shelling from Yongphyong,” December 17, 2010)

Rodong Sinmun signed article: “The situation is getting extremely tense on the Korean
Peninsula due to the U.S. persistent policy to stifle the DPRK. This runs diametrically
counter to the ardent desire of the Korean people for the reunification and peace of
the country and adversely affects the peace and security in Asia and the rest of
the world. There has never been peace in south Korea and its vicinity due to the
movement and deployment of huge U.S. forces of aggression and their war exercises.
As a result, the Korean Peninsula has turned into a scene of acute military
confrontation. **What is essential for ensuring peace on the peninsula is to put an
end to the U.S. military presence in south Korea. It is an empty talk to discuss the
issue of peace of the peninsula with the U.S. imperialist aggressor forces staying
in south Korea.** It is sheer sophism for the U.S. to paint its forces in south Korea as
‘deterrent forces’ to cope with the ‘threat’ from someone. It is a revelation of its criminal
intention to keep south Korea under permanent occupation and ignite a war of
aggression against the DPRK any moment. The U.S. should pull its forces out of south
Korea. This is an unavoidable responsibility to be fulfilled by the U.S. for ensuring
peace on the peninsula. The continued state of armistice is the biggest hurdle lying in
the way of defusing the tension and ensuring peace on the peninsula. **For the U.S. to
replace the Armistice Agreement by a peace treaty is its important task for
averting a war and ensuring peace on the peninsula.** The Korean Peninsula remains
a region fraught with the greatest danger of war in the world. This is entirely
attributable to the U.S. pursuance of the policy of aggression against the DPRK. The
U.S. would be well advised to face up to the demand of the situation on the Korean
Peninsula and the trend of the times and fulfill all its obligations. (KCNA, “U.S. Can Never Evade Responsibility for Ensuring Peace in Korea,” December 17, 2010)

The South Korean Defense Ministry, which confirmed it received the warning earlier today, dismissed it as “unreasonable.” “Our military decided not to reply after concluding that we do not need to respond to every threat and unreasonable argument by the North,” the ministry said in a statement. A senior official at the defense ministry said the South’s military “will hold the drill with plans to deal with” any provocations from the North, declining to elaborate further. About 20 military personnel from U.S. forces in South Korea will aid in the drill by providing medical and communications support as well as intelligence analysis, officials have said. The North, which said it considers the sea off Yeonpyeong part of its “inviolable territorial waters,” had sent warnings through its hotline with the South before it shelled Yeonpyeong last month. In a separate editorial carried in the North’s ruling party newspaper, Pyongyang reiterated its long-running demand that Washington agree to a peace pact to formally end the war and withdraw its 28,500 troops stationed in South Korea as a deterrent. “What should not be overlooked is that even the U.S. imperialist aggressor forces present in South Korea are openly shielding the puppet military warmongers’ shelling exercises on (Yeonpyeong) Island,” the North Korean military said through the KCNA. Adding to tension, North Korea’s official Web site, Uriminzokkiri, warned today that another war with South Korea would involve nuclear arms and would spread beyond the peninsula. “If war breaks out, it will lead to nuclear warfare and will not be limited to the Korean Peninsula,” it said in a commentary. (Sam Kim, “N. Korea Warns of ‘Deadlier’ Attack If S. Korea Proceeds with Drill,” December 17, 2010) As of Friday, there were exactly 200 people on Yeonpyeong Island, including 84 government employees and 116 civilians. Meanwhile, U.S. State Department spokesman Philip Crowley indicated support for the drill at a regular briefing Thursday (local time), saying, “A country has every right to train and exercise its military in its own self-defense.” However, James Cartwright, vice chairman of the U.S. Joint Chiefs of Staff, said, “What we worry about obviously is ... if North Korea were to react to that in a negative way and fire back at those firing positions on the islands, that would start potentially a chain reaction.” Cartwright added, “What you do not want to have happen out of that is for ... us to lose control of the escalation. That’s the concern.” (Hankyore, “N. Korea Echoes Threat of ‘Self-Defense Attacks,’” December 18, 2010) To prepare against North Korean provocations during the exercise, which officials said will take place Monday or Tuesday, the military has deployed additional K-9 self-propelled howitzers, multiple launch rocket systems and a new artillery tracking radar. For the exercise, the military is expected to mobilize K-9 self-propelled howitzers, 105mm towed artillery guns, Vulcan guns and 81mm mortars for the exercise, officials said. It has also put its F-15K and KF-16 fighter jets on emergency standby. (Song Sang-ho, “Steps Seoul Will Take against N.K. Provocation,” Korea Herald, December 19, 2010)

Sung Kim, the U.S. chief nuclear negotiator, will visit Seoul today to inform his South Korean counterpart Wi Sung-lac of the outcome of a high-level U.S. delegation’s trip to China this week. Kim’s visit comes a day after a government official told reporters on condition of anonymity that China and Russia were told of a list of conditions needed for the resumption of the six-party talks. The official said negotiations on the conditions
were still underway. But he declined to give them in great detail. The conditions reportedly include North Korea halting its enriched uranium program and the return of International Atomic Energy Agency inspectors to the North. The six members of the stalled nuclear talks appear to be split into two blocs over when to resume - South Korea, the United States and Japan are on one side with China, Russia and North Korea on the other. The former urges North Korea to change its course of action first before the resumption of talks, whereas the latter puts dialogue first to ease the military escalation on the Korean Peninsula. The gap between the two blocs was apparently no closer after Wi met Alexi Borodavkin, deputy foreign minister of Russia, December 15 in Moscow. After the closed-door meeting, the South Korean chief nuclear envoy told reporters that the resumption of the talks was not considered as an option at the moment. “(During the meeting) I told (the Russian deputy foreign minister) about South Korea’s position that now is not the time to talk.” (Kang Hyun-kyung, “6-Party Members Split on N.K. Talks,” Korea Times, December 16, 2010)

SUMMARY OF [JAPAN’S] NATIONAL DEFENSE PROGRAM GUIDELINES, FY 2011
Approved by the Security Council and the Cabinet on December 17, 2010

III. Security Environment Surrounding Japan
1. Number of disputes in the so-called “gray zones” (confrontations over territory, sovereignty and economic interests which have not escalated into wars) is on the increase. 2. Global shift in the balance of power has been brought about by the rise of emerging powers and relative change in the U.S. influence. 3. Issues such as the stability of cyberspace, in addition to international terrorism and piracy, have become global security challenges. 4. North Korea’s nuclear and missile issues are immediate and grave destabilizing factors to the regional security. 5. Military modernization by China and its insufficient transparency are of concern for the regional and global community. 6. Russia’s military activities are increasingly robust. 7. A full-scale invasion against Japan is unlikely today, but security challenges and destabilizing factors which Japan faces are diverse, complex and intertwined.

Basic Policies to Ensure Japan’s Security
1. Japan’s Own Efforts
(1) Japan will promote seamless effort under normal circumstances and prepare for emergencies.
(2) Japan will improve its ability to collect and analyze information, while strengthening the information security system. (3) Japan will make coordinated and integrated response by swiftly making appropriate decisions. (4) After evaluating the structure and function of the current security organizations in the Cabinet, Japan will establish a body at the Prime Minister’s Office dedicated to security policy coordination among relevant ministers and advisory to the Prime Minister. (5) Japan will participate in international peace cooperation activities in a more efficient and effective manner. Taking into account the situations in international peace-keeping operations, Japan will discuss how it will participate in future peace-keeping operations, by studying current policies such as the five principles for participating peace-keeping operations, among others.
(6) Japan will build “Dynamic Defense Force” which supersedes “the Basic Defense Force Concept”, the latter being a concept that aims to secure deterrence by the
‘existence’ per-se of defense capability. (7) “Dynamic Defense Force” will increase the credibility of Japan’s deterrent capability by promoting timely and active ‘operations’. It will also enable Japan to play active roles in various occasions such as international peace cooperation activities.

2. **Cooperation with the Ally**
   (1) The Japan-U.S. Alliance is indispensable in ensuring for Japan’s peace and security. (2) Japan will continue to engage in strategic dialogue with the United States to further enhance and develop the Japan-U.S. Alliance. (3) Japan will promote cooperation with the United States in new areas such as cyber space security, in addition to the existing cooperation. (4) Japan will reduce the impact in local communities where U.S. military bases are located, while maintaining the deterrent provided by the U.S. military.

3. **Multi-layered Security Cooperation with the International Community**
   (1) Japan will strengthen the network of security cooperation through bilateral and multilateral frameworks in the Asia-Pacific region. (2) Japan will enhance security cooperation with countries such as the Republic of Korea, Australia, ASEAN countries and India. (3) Japan will promote confidence and cooperation with China and Russia. (4) Japan will also enhance cooperation with EU, NATO and European countries on global security issues.

V. **Future Defense Forces**

1. **Roles of Defense Capabilities**
   (1) Effective deterrence and response (e.g. ensuring security in the sea and airspace surrounding Japan, responding to an attack on Japan’s offshore islands.) (2) Efforts to further stabilize the security environment of Asia-Pacific region. (3) Efforts to improve global security environment.

2. **Self-Defense Force: Force Posture**
   In order to perform the roles of the defense forces in an effective manner, new force posture provide for, among others, increased readiness and smoother joint operations.

   (1) While reducing Cold War-style equipments and organizations, priority functions, including those in southwestern Japan, will be enhanced. (2) Budget allocation among three services of the Self-Defense Forces will be subject to across-the-board review. (3) To hedge against full-scale invasion, relevant knowledge and expertise will be maintained at a minimum necessary level. (4) Enhanced joint operations, improved capabilities during contingencies in off-shore island areas, improved capabilities for international peace cooperation activities, etc. (5) Details of organization, equipment and disposition of Ground Self-Defense Force, Maritime Self-Defense Force and Air Self-Defense Force are provided in the NDPG.

VI. **Basic Foundations to Maximize Defense Capability**
(1) Japan will utilize human resources of Self-Defense Forces more effectively and reform its personnel system by such measures as reviewing rank and age distribution. (2) Japan will procure equipments more efficiently by improving its contract and procurement system. (3) Japan will set out medium- and/or long-term strategy to maintain and develop defense production capability and technological base. (4) Japan will study measures to follow the international trend of defense equipment.
VII. Additional Elements for Consideration

The timeframe this NDPG envisions is approximately 10 years. The NDPG would be subject to review and revision as necessary in accordance with major changes in the surrounding environment.

Responding to Japan's newly adopted defense policy, the Chinese Foreign Ministry denied the country poses a threat to any nation and slammed Tokyo's views as "irresponsible." "China adheres to a path of peaceful development and pursues a national defense policy that is defensive in nature," spokeswoman Jiang Yu said in a response posted on the ministry website. "It is not our intention to threaten, nor does (China) constitute a threat to anyone." "Individual countries have no right to represent the international community and make irresponsible remarks on China's development," Jiang said. (Ito Masami, "Defense Focus Shifts from Russia to China," Japan Times, December 18, 2010)

The sea border that has become the main battleground between North and South Korea 57 years after it was imposed by a U.S. general has been called legally indefensible by American officials for more than three decades. Then-Secretary of State Henry Kissinger wrote in a 1975 classified cable that the line "was unilaterally established and not accepted by NK," Kissinger wrote in a confidential February 1975 cable. "Insofar as it purports unilaterally to divide international waters, it is clearly contrary to international law." Two years before, the American ambassador said in another cable that many nations would view South Korea and its U.S. ally as "in the wrong" if clashes occurred in disputed areas along the boundary. "The ROK and the U.S. might appear in the eyes of a significant number of other countries to be in the wrong" if an incident occurred in disputed areas, U.S. Ambassador Francis Underhill wrote in a Dec. 18, 1973, cable to Washington, using the acronym for Republic of Korea. South Korea "is wrong in assuming we will join in attempt to impose NLL" on North Korea, said a Dec. 22, 1973, "Joint State-Defense Message" to the U.S. Embassy in Seoul. The border was drawn by Army General Mark Clark and his aides in 1953 to stop South Korea from disrupting the fragile armistice he oversaw at the end of the Korean War, according to Narushige Michishita, an associate professor at the National Graduate Institute for Policy Studies in Tokyo. Now, the U.S. must stand by the line to contain North Korea, said Michael J. Green, a security adviser to President George W. Bush. Moving the boundary further from North Korea's coast would make it easier for the regime "to smuggle out military equipment and drugs, and smuggle in things that are part of their nuke program," said Green, who now heads the Japan Program at the Center for Strategic and International Studies in Washington. "Nothing good comes from it." In June 1953, a month before the war ended, South Korean President Syngman Rhee -- described by Clark in his 1954 memoir “From the Danube to the Yalu” as “a lighted fuse sputtering towards the powder barrel" -- said he wouldn’t cooperate with a truce, Central Intelligence Agency memos show. While the South wanted to fight on, Clark was under orders to find what President Dwight D. Eisenhower called an “honorable peace” as support for the war at home faded. “There was concern over President Rhee and what he might do,” said Larry Niksch, a former Asian affairs specialist at the U.S. Congress's research arm. “There was a lot of concern he might try to open hostilities again.” So Clark and his aides drew the line to restrain Rhee and prevent clashes, said Michishita, author of the 2010 book "North Korea’s
Gov. Bill Richardson of New Mexico met for more than an hour yesterday morning with North Korea’s vice minister for American affairs, the first stop on a five-day private visit he said was aimed at conveying concerns about North Korean provocations and reducing tensions on the peninsula. Richardson said that the vice minister, Ri Yong-ho, indicated that the North was anxious about the mounting hostilities in the region, and that that was “a good sign.” But Richardson cautioned that the meeting was a preliminary discussion, and that progress, if there was any, would become evident only near the end of his trip. Richardson met with Kim Kye-gwan, North Korea’s chief nuclear envoy, today for almost two hours. “Even though I had a good meeting with Kim Kye-gwan, the situation is extremely tense.” he said. “I urged the North Koreans to exercise maximum self-restraint, but this is a time when both sides – all sides – should show restraint. I put forward a series of proposals to calm things down.” The meeting seemed to start on a testy note when Kim told Mr. Richardson, who had delayed his visit at the request of the White House, “I was always suspicious as to whether there is a true democracy in the United States, which boasts of human rights, because even your visit to the D.P.R.K.” was delayed. At a dinner last night, Richardson urged North Korean officials to “act with extreme caution, extreme patience” to South Korea’s planned military drills. He said he also told them that North Korea needed to do more than simply state its willingness to reopen talks with five nations about its nuclear program if it wanted to reduce tension. He warned the North to cease provocations like the island shelling. “You can’t keep doing this.” he said, adding that after visiting the peninsula for 15 years, “I’ve never seen this level of tension between North and South Korea.” (Sharon La Franiere and Mark McDonald, “Richardson Begins Talks with Leaders in Pyongyang,” New York Times, December 18, 2010, p. A-8) A top North Korean general offered Sunday to help return the remains of several hundred U.S. troops killed during the Korean War, New Mexico Gov. Bill Richardson said. Maj. Gen. Pak Rim Su told Richardson that the bodies were discovered recently in North Korea. Richardson, who is meeting with officials in North Korea to help ease tensions in the region, described the offer as a “very positive gesture.” Any returned remains are “better than nothing,” Korean War Veterans Association President Bill Mac Swain said. But he noted that there were possible pitfalls. “I’m worried that what we’ll get is a bunch of stuff that we’ll never be able to figure out,” he said. Investigators are still trying to identify many of the bodies from more than 200 boxes stuffed with remains and personal items that North Korea sent back to the United States between 1990 and 1994, he said. (Wolf Blitzer, “Richardson: North Offers to Return Remains of U.S. Troops,” CNN, December 19, 2010) North Korea has agreed to allow U.N. inspectors back into its main nuclear facility and other actions apparently aimed at reducing inter-Korean tension, during talks with Bill Richardson, a U.S. governor on an unofficial visit to Pyongyang, reported CNN’s Wolf Blitzer, who is accompanying Richardson on the trip. It would be the first time for the nuclear watchdog to enter the facility since being kicked out in April last year. Pyongyang also said it would negotiate the sale and shipment of 12,000 spent fuel rods to an outside country, presumably the South, and consider Richardson’s proposition that it open a military commission and hotlines with
Seoul and Washington, the report said. The fuel rods are believed to contain enough material to build six to eight nuclear weapons. Earlier, a high-ranking government official told reporters on condition of anonymity that South Korea and its allies worked on several conditions to resume the stalled six-party talks. He declined to give the conditions in great detail. But they reportedly include the return of the IAEA inspectors to the nuclear site in North Korea and halting the North’s enriched uranium program. The official, however, made it clear that North Korea’s accepting IAEA inspectors was not enough. “Letting them watch the North’s nuclear site, which is working, will only have an amplifying effect. And it will not be helpful in the denuclearization of the North Korean nuclear program,” he said. Meanwhile, the U.S. State Department explained the five conditions for the resumption of the six-party talks. North Korea should stop provocations, make concrete efforts to ease tensions, improve inter-Korean relations, fulfill the 2005 agreement for denuclearization and abide by U.N. Security Council resolutions. Park Young-ho, an expert at the Korea Institute for National Unification, said the offer seemed to follow the North’s pattern of ratcheting up tension before “sitting back and saying they are ready for peace talks.” Such a strategy enables the North to place itself in the role of the party seeking peace, he said. Knowing this, “Seoul, Washington and Tokyo will not easily accept the North Korean offer as a positive step.” (Kim Young-jin, “N.K. to Allow Inspectors Back into Yongbyon,” December 20, 2010) North Korea has told a visiting American politician that it would allow international inspectors to visit a newly unveiled uranium-enrichment facility and announced Monday that it would not “retaliate” against South Korea for conducting military exercises - gestures that seemed intended to calm tensions on the Korean Peninsula, at least for the time being. Ending a five-day visit to Pyongyang, New Mexico Gov. Bill Richardson (D) praised North Korea for reacting “in a statesmanlike manner” to the South’s live-fire exercises and expressed hope that the North’s proposals would “signal a new chapter and a round of dialogue to lessen tension on the Korean Peninsula.” At the State Department, the reaction was more guarded. “If North Korea wants to reengage with the [International Atomic Energy Agency], wants to reintroduce inspectors into its facilities, that certainly would be a positive step,” State Department spokesman P.J. Crowley told a news briefing. “We’ll be guided by what North Korea does, not by what North Korea says it might do under certain circumstances.” North Korea expelled IAEA inspectors in April 2009 before it conducted a second test of a nuclear device. Richardson, upon leaving Pyongyang after a visit he made as a private citizen but with the knowledge of the U.S. government, issued a statement saying North Korean officials had agreed to allow the IAEA to return to the Yongbyon nuclear facility, where last month it revealed a secret uranium-enrichment plant to a team of U.S. scientists and weapons experts. The enrichment facility, which would be an important link in building a nuclear bomb based on highly enriched uranium, sparked speculation that North Korea may have other such plants. North Korea also reiterated to Richardson a proposal to sell fuel rods to a third party, such as South Korea. Radioactive material collected from fuel rods can be used to make plutonium-based nuclear weapons. “It is too early to make any response to an informal suggestion by Richardson,” said Song Min-soon, former South Korean foreign minister and a current member of the National Assembly’s foreign affairs committee. “We don’t have the details, and North Korea always includes conditions on deals. Unless there is an official and concrete suggestion by North
Korea, it is difficult to make any responses." Dai Bingguo, a senior Chinese diplomat, traveled to North Korea on December 9, and Xinhua reported that China and North Korea had reached "consensus" on the situation on the peninsula - which many analysts interpreted to mean a North Korean agreement not to provoke South Korea in the short term. "The Chinese clearly had to have something to do with it," said Evan Feigenbaum, a George W. Bush administration State Department official now at the Council on Foreign Relations. "Dai goes there and suddenly North Korea says, 'We don't need to respond.'" (John Pomfret and chico Harlan, "North Korea Makes Gestures toward Calm after South's Drills," Washington Post, December 21, 2010, p. A-9) Richardson said the North showed "a certain pragmatism" by not retaliating to South Korea's live-fire drill from a border island. "The fact that they didn't retaliate, the fact that they agreed to IAEA monitoring, the fact that they are willing to sell the fuel rods that could be used to manufacture nuclear weapons, the fact that they are willing to sell them to South Korea -- let's use that opportunity for all sides to start talking," the governor said. "I think it is important that a new effort at re-engagement takes place among the six-party countries," Richardson said. "Maybe now is the time for the six-party countries to reach out to North Korea and say, 'OK, let's get down to business.'"

South Korean Foreign Minister Kim Sung-hwan, however, said on December 21 that Richardson is "not in a position to discuss nuclear issues" with North Korea. "Gov. Richardson's trip to North Korea this time was a private one and it doesn't reflect an official position of the U.S. government," Kim said during the meeting of the National Assembly committee on foreign affairs. "I suspect North Korea may have tried to use Gov. Richardson's visit for regime propaganda." A senior official said earlier that North Korea should first return to an international treaty on nuclear non-proliferation before accepting U.N. inspectors. The reported agreement with Richardson may be "an old trick," he said. "If North Korea is serious about international inspection, it must first rejoin the NPT," the official said. "And in order to return to the NPT, all nuclear programs must be frozen and withdrawn." Richardson had said that North Korea was willing to negotiate the transfer of 12,000 fresh fuel rods out of the country, namely to South Korea. But the South Korean official dismissed the reported proposal "as practically useless." "We and North Korea have already talked about fuel rods in 2008, but unused, fresh fuel rods themselves have little significance because they have not been enriched," he said. "And North Korea has already revealed its highly enriched uranium programs. Perhaps they thought they could make some money (from fuel rods)." The official said trying to engage North Korea only in dialogue won't be the answer to alleviating tensions on the Korean Peninsula. "It's actually a laughable notion that we should try to solve the problems with talks only," he said. "North Korea has taken lives and has threatened (war). We must be able to answer force with force, and then we can have talks as necessary." China, North Korea's last-remaining major ally, urged the North on Tuesday to accept international monitors, while recognizing Pyongyang's right to "peaceful use" of nuclear power. "North Korea has the right to use nuclear power for peaceful purposes, but also at the same time must allow IAEA inspectors in," Chinese Foreign Ministry spokeswoman Jiang Yu said in Beijing. Jiang reiterated China's call for dialogue to ease tensions in the region. "All parties should realize that artillery fire and military force cannot solve the issues on the peninsula, and dialogue and cooperation are the only correct approaches," she said. (Yonhap, "Unmoved by N. Korea Nuclear Proposal, S. Korea Calls for Return to NPT," December
21, 2010) Press reports and the governor’s web site said that “North Korea was willing to negotiate the sale of the 12,000 fresh fuel rods in storage at Yongbyon to a third party, such as South Korea. The fuel rods were manufactured for the 50 MWe reactor that was never built, but could be reclad to be used in the 5MWe reactor if North Korea chose to restart it.” (Mary Beth Nikitin, “North Korea’s Nuclear Weapons: Technical Issues, (Washington: Congressional Research Service, February 12, 2013)

12/18/10

The number of Japanese people who feel friendly towards China dropped to a record low 20 percent in a poll conducted by the Japanese government, down 18.5 percentage points from the previous survey last year, the Cabinet Office said today. Those who said they do not have friendly feelings, meanwhile, jumped 19.3 points to 77.8 percent, a record high since the first survey in 1978, according to the public opinion survey on foreign affairs. The Foreign Ministry said, “Heightened tension between Japan and China as a result of a Chinese trawler’s collisions (with Japanese patrol boats) in September had a major impact on national sentiment.” The survey was conducted in October. (Kyodo, “Japanese Who Feel Friendly toward China Drop to Record Low 20%,” December 18, 2010)

12/19/10

North Korea’s military has raised an alert for artillery units based along its west coast ahead of a planned live-fire drill by the South. “We understand that there's been an upgrade in alert at artillery units,” Yonhap quoted the South Korean government source as saying. The drill, within eyesight of the North Korean mainland, is scheduled to take place sometime before December 21 U.S. troubleshooter Bill Richardson, the governor of New Mexico who is on a private mission to Pyongyang, told CNN he did not get a firm answer on whether North Korea would physically strike the South again, but added: “It's still very tense out there.” “They said there would be a response, but at the same time they hope a U.N. Security Council resolution would tamp down the situation. It was very clear they were very upset by the potential exercise,” Richardson told CNN from Pyongyang. North Korea continued with a blistering assault on the South and the United States at the weekend, accusing Seoul of conspiring with Washington to bring hostility against it. The North’s foreign ministry spokesman said in a statement: “We will be sure to settle scores with the U.S. for the extreme situation on the Korean peninsula.” He added: “Our military does not speak empty words.” (Kim Do-gyun, “North Korea Raises Alert before U.N. Meeting: report,” Reuters, December 19, 2010)

South Korea has detained eight Chinese fishermen after their boat collided with a patrol ship in an incident that threatens to damage relations with China at a time when the US is pushing Beijing to broker a detente on the Korean peninsula. According to the South Korean coastguard, the Chinese fishing boat capsized after ramming a patrol vessel in South Korean waters on Saturday. The coastguard detained eight fishermen, but said one died after being rescued from the water and another was missing. On Sunday, six South Korean coastguard ships and two helicopters searched for the missing Chinese fisherman, to no avail. Several South Korean soldiers were also injured in the encounter. While the incident has not yet generated an official Chinese response, news of the death sparked angry internet commentary. “China should order South Korea to immediately produce the murderer,” said an anonymous post on the
popular Sina.com portal. According to South Korea, Saturday’s collision occurred when the patrol vessel approached about 50 Chinese fishing boats that were illegally fishing in western South Korean waters. One of the boats had capsized after intentionally hitting the patrol ship to allow the other Chinese vessels to escape. More than 300 Chinese fishing boats are detained every year for illegal fishing in South Korean waters, according to South Korea’s coastguard. (Leslie Hook and Song Jung-a, “Fears for Relations with Beijing as Seoul Holds China Fishermen,” Financial Times, December 20, 2010, p. 1) South Korea was legitimately enforcing a law on suspected illegal fishing when a Chinese fishing boat sank in the Yellow Sea last week after colliding with a South Korean patrol vessel, an official said December 22. South Korea also has a video and other evidence clearly showing that the Chinese boat slammed into a South Korean Coast Guard vessel, apparently deliberately, before sinking, and the country is willing to allow China to view investigation records, a foreign ministry official said requesting anonymity. “South Korea does not want a cooperation project with China to unravel,” the official said. The remarks came a day after China’s foreign ministry claimed that the South’s Coast Guard is to blame for the incident that left one Chinese fisherman dead and another missing. The ministry demanded that Seoul punish those responsible and make compensations for human and property damage. The 63-ton boat overturned and sank Saturday about 72 miles off South Korea’s western port city of Gunsan after slamming into the 3,000-ton patrol vessel. At the time, Coast Guard officers were trying to board another Chinese fishing boat that fled the South’s exclusive economic zone (EEZ) in defiance of an order to stop, given because of suspected illegal fishing. Four Coast Guard officers also sustained broken arms and other injuries as Chinese fishermen used violence, such as wielding steel pipes, to stop them from boarding the vessel, according to Coast Guard officials. An issue is that the site of the sinking was in neutral waters, not inside the South’s EEZ. Chinese Foreign Ministry spokesperson Jiang Yu claimed that the South has no right to crack down on Chinese boats in the neutral waters. She also said there should not be a collision with a fishing boat, apparently suggesting that the patrol vessel rammed into the small boat. But the South’s official countered that the sunken boat appears to have struck the patrol ship while apparently trying to obstruct the search operation on the other fishing boat. A video of the accident clearly shows the patrol ship almost standing still when the fishing boat rammed into it, he said. The official also said the South has the right to stop and inspect the fishing boat even in neutral waters because it ignored an earlier order to stop in the country’s EEZ and fled. Chasing a fleeing vessel is a right guaranteed under the U.N. maritime law, he said. “Escalating this issue into a diplomatic row is not desirable for both us and China,” the official said. “We expressed condolences over the lives lost, and we are willing to allow the Chinese side to attend our investigation.” China has not yet delivered its position on the issue through diplomatic channels, he said. On December 20, the Coast Guard invited diplomats from China’s embassy and showed them the video of the accident and a radar image, the official said, declining to say how the Chinese officials reacted after seeing the evidence. (Yonhap, “S. Korea Denies Responsibility in Sinking of Chinese Boat,” December 22, 2010)

Russia distanced itself from China in discussions about North Korea at the UN Security Council on December 19, Foreign Minister Kim Sung-hwan said Tuesday. “In the
process of adopting the statement, Russia clearly stated its intention to join international condemnation,” Kim said. “I do not believe Russia is acting in concert with China.” It was Russia that called the emergency UNSC meeting to discuss South Korea’s artillery drill on Yeonpyeong Island. But it apparently agreed to most of the demands made by the U.S. and the U.K., which stressed that the statement must focus on North Korea’s provocations. “Russia supported calls to condemn North Korea’s artillery attack on Yeonpyeong Island. The statement was not adopted because of opposition from China,” Kim said. In a draft statement, Russia pointed out the risks posed by South Korea’s artillery drills but did not mention North Korea’s attack. But when a revised statement by the U.S. and the U.K. condemning the North for attacking the South gained support, Russia offered a similarly worded revision, although that did not directly mention North Korea or the island. “Russia proposed a slightly different version in order to bring China on board,” Kim explained. The permanent members generally agreed to the revision proposed by Russia, but China adamantly refused to accept the word “condemn” in the statement. As a result, the UNSC was unable to adopt a joint statement. After North Korea’s shelling of the island, Russia’s Foreign Ministry condemned the attack and criticized the North immediately following a meeting with North Korean Foreign Minister Pak Ui-chun. And Russian Prime Minister Vladimir Putin called North Korea’s uranium enrichment program a violation of UNSC resolutions. But when Russia convened the emergency meeting just ahead of South Korea’s annual military exercise on Yeonpyeong Island, the move was interpreted as signaling a shift in Moscow’s stance. Unlike Russia, China has merely urged both Koreas to exercise “restraint,” while refusing to even mention the words “Yeonpyeong Island.” China also refused to condemn North Korea after it sank the Navy corvette Cheonan. (Chosun Ilbo, “Russia Distances Itself from China over N. Korea,” December 22, 2010)
after facing a blow. The second and third powerful retaliatory strike to be made by the revolutionary armed forces of the DPRK knowing no limit as declared before the world will lead to blowing up the bases of the U.S. and south Korean puppet warmongers. The world should properly know who is the true champion of peace and who is the real provocateur of a war.” (KCNA, “KPA Supreme Command: World Should Know Who Is Provoker,” December 20, 2010)

Twenty USFK personnel participated in the live-fire exercise, and there were several observers from the Neutral Nations Supervisory Commission (NNSC) and Canada. The U.S. reportedly deployed F-22 fighters and a KC-135 tanker to patrol above the island. A source said there was increased “U.S. bomber activity” at Anderson Air Base in Guam and at least one U.S. nuclear-powered submarine armed with cruise missiles in the area. A military source told Crisis Group that if North Korea had used force against the South on 20 December, “it was on.” (Crisis Group interviews, Seoul, December 2010, January 2011, Crisis Group, China and Inter-Korean Clashes in the Yellow Sea, January 27, 2011; Lee Chi-dong, “President Lee Orders Gov’t to Stay on Full Alert”, Yonhap, December 20, 2010; Christine Kim, “Guns on Yonpyeong Blast for 90 Minutes,” Joongang Ilbo, December 21, 2010)

China frustrated South Korea by speaking publicly on behalf of North Korea over the reclusive nation’s right to use nuclear energy peacefully and blaming Seoul for the capsizing of a Chinese trawler. This has caused a stir in the South and analysts say Seoul-Beijing ties have hit an all-time low point recently. During a press briefing, Jiang Yu, a Chinese foreign ministry spokeswoman, said, "North Korea has the right to use nuclear power for peaceful purposes, but also at the same time must allow the International Atomic Energy Agency inspectors in (its nuclear sites).” Jiang made the remarks at a time when North Korea’s disclosure to a U.S. nuclear scientist of a facility to produce enriched uranium drew international condemnation. In an interview, a high-ranking official from the presidential office expressed worries over the remarks, noting it could send the wrong message to the North. The official said North Korea will be allowed to talk about its right to use nuclear energy for peaceful purposes only after it dismantles its nuclear weapons program. (Kang Hyun-kyoung, “Korea-China Discord Deepens after Trawler Capsizes,” Korea Times, December 22, 2010)

An ominous showdown between North and South Korea was forestalled after the North withheld military retaliation to South Korea’s live-fire artillery drills on an island the North shelled last month after similar drills. The North claims the island and surrounding waters and had threatened “brutal consequences beyond imagination” if the drills went forward. But a statement from KCNA tonight said it was “not worth reacting” to the exercise, and one by the North’s military said, “The world should properly know who is the true champion of peace and who is the real provocateur of a war.” After repeated delays attributed to bad weather, the drills began this afternoon local time. The 94 minutes of operations included F-15K fighter-bombers overhead and shelling into waters claimed by both Koreas. Some 20 American military personnel took various support and observer roles. The United States has been South Korea’s protector since the Korean War, with some 28,500 military personnel currently stationed here. Some North Korea-watchers in Seoul said that the sudden softening in
tone by the North was likely part of a broader strategy to nudge both South Korea and the United States to the negotiating table. They said North Korea is desperate to win food aid from the South and possibly even security guarantees from Washington as the North’s ailing dictator, Kim Jong-il, tries to engineer the succession of his young and untested third son, Kim Jong-un. "North Korea was thinking very strategically when it backed down from its confrontational stance," said Yang Moo-jin, a professor at the University of North Korean Studies in Seoul. “I think they are trying to create the mood for dialogue.” Yesterday, Gen. Walter L. Sharp, the commander of American forces in South Korea, and Kathleen Stephens, the American ambassador to Seoul, went to the Blue House, the presidential offices and residence. The embassy declined to comment today about the Blue House visit or the drill. “The U.S. side said it supports South Korea's military training plan irrespective of North Korea's response, and that it will stay with us whatever happens,” said Kim Hee-jung, a spokeswoman for South Korean President Lee Myung-bak. At the Security Council meeting in New York, the American ambassador to the United Nations, Susan E. Rice, defended Seoul, saying it was “important to recognize that there is nothing unusual about these planned drills.” She said, “They are exclusively defensive in nature, and they have been regularly conducted for years.” (Sharon LaFraniere and Martin Fackler, “North Korea Withholds Fire after Military Drills by the South,” New York Times, December 20, 2010, p. A-)

South Korea concluded a live-fire exercise Monday from a border island shelled last month by North Korea, but the communist nation has not made any provocative moves. K-9 self-propelled howitzers and other weapons deployed on Yeonpyeong Island were used in Monday’s 94-minute exercise that ended around 4:04 p.m., the JCS spokesman said, without giving further details, such as how many rounds were fired. President Lee Myung-bak stressed that South Korea has the right to conduct such exercises. "It is a matter of course that a divided nation in a military standoff conduct a military exercise to defend its territory as a sovereign state," Lee told the presidential chief of staff, Yim Tae-hee, during a briefing on the drill, according to chief presidential spokesman Hong Sang-pyo. "No one can dispute this," Lee said, instructing officials to make sure that the country remains fully prepared for North Korean provocations after Monday’s exercise, according to the spokesman. Lee rarely spoke during the briefing, but had a "stern face," Hong said. In New York, the U.N. Security Council convened an emergency meeting Sunday to discuss the tensions. A Russian-proposed draft statement urged all parties concerned to "exercise maximum restraint" and called on U.N. Secretary General Ban Ki-moon to send an envoy to Seoul and Pyongyang for a "resumption of dialogue and resolution of all problems dividing them exclusively through peaceful diplomatic means." The session lasted more than eight hours, but no statement was issued as China, a veto-holding permanent member of the Council, refused to condemn the North’s artillery attack last month. All Council members except China are in favor of including a phrase in a statement condemning the North, a U.N. official said. (Yonhap, “N. Korea Silent as S. Korea Concludes Live-Fire Drill near Sea Border,” December 20, 2010)

A Chinese state-run company agreed to invest $2 billion in North Korea’s Rason free trade zone, the JoongAng Ilbo learned yesterday from documents related to the deal. Shangdi Guanqun Investment Co., Ltd. signed a 10-point memorandum of understanding with Pyongyang’s Investment and Development Group on December
In Beijing, the documents showed. The signing ceremony was attended by Mi Chang, president of Shangdi Guanqun Investment, and Kim Chol-jin, president of the Investment and Development Group. The goal of the investment, stated in the documents, is to build Rason, a northeastern North Korean city on the East Sea that borders both China and Russia, into the “biggest industrial zone in Northeast Asia” in around 10 years. The project calls for coal-fired power plants, roads, piers and oil refineries in the North Hamgyong Province city, the documents said. According to the documents, the deal is “a strategic joint project based on trust between high-level figures” in China and North Korea, which suggests it may have been negotiated by North Korean leader Kim Jong-il during two visits to China last year, on which he met Chinese President Hu Jintao. China is investing in Rason as an export base to serve markets in Japan, southern China and Southeast Asia. Rason is a merger of two towns, Rajin and Sonbong, and was designated the first free trade zone in the North in 1991. It was promoted to a “special city,” which means it has fewer restrictions on businesses. “We have a deep interest in North Korea’s ample natural resources,” an official of Shangdi Guanqun Investment Co., Ltd. told the JoongAng Ilbo. “To facilitate the export of natural resources [from the region], we will invest $300 million first and construct a coal-fire power plant at the coal mine and build a railway, roads, and harbors and piers [near it].” (Ko Soo-suk, “China Backs North’s Rason Project,” January 7, 2011)

12/21/10 White House Daily Briefing: “Q. Are there plans for the President to meet with Governor Richardson when he returns from North Korea? GIBBS: Governor Richardson is on a private trip and there are no plans that I’m aware of. Q. And just following up on Alister’s question, what does the administration make of the offers North Korea has made to Bill Richardson? GIBBS: Again, I think -- we have throughout many months and even many years, dating back to different administrations, seen the words and the rhetoric of the North Koreans fail to live up to any of their actions or their obligations. So, speeches and rhetoric aside, the obligations that they must undertake as part of a respected member of the international community -- they’re aware of what they need to do. And commitments to do so are not what we’re interested in. We’re interested in them living up to those obligations. Q. So is there any indication that we’re closer to the restart of six-party talks? GIBBS: Six-party talks will be restarted again when the North Koreans display a willingness to change their behavior. We don’t -- we’re not going to get a table in a room and talk -- have six-party talks just for the feel-good notion of having six-party talks. When and if the North Koreans are ever serious about living up to their obligations, then we can think about restarting six-party talks. But the belligerent actions that the North Koreans have demonstrated over the past many weeks I don’t think provide anybody the confidence that they’re even remotely ready to resume in a responsible way those talks. And when they are, then the world will be ready to do what’s necessary. But right now the action must come not from their words, but from their deeds. (White House, Office of the Press Secretary, Daily Briefing by Press Secretary Robert Gibbs, December 21, 2010)

North Korea and the United States have resumed contact through Pyongyang’s U.N. mission in New York, a diplomatic source said."I understand that the two sides are
Senior Grand National Party lawmakers who gathered yesterday to deliberate the government’s policy toward North Korea after its attack on Yeonpyeong Island quarrelled intensely and broke into two camps. One group argued the government should ease its tough stance against the communist regime to abate the highly strained relations between the two Koreas. This met fierce opposition from another group that maintained it was too early to “appease” North Korea. “The crisis on Yeonpyeong Island was ended by the strong leadership of President Lee Myung-bak, and his overall handling of the aftermath of the crisis was validated by the stock market, which reached a yearly high,” GNP Representative Hong Sa-duk said in the meeting. “But I’m sure everyone here will agree that the current, tense inter-Korean situation shouldn’t continue for a long time.” Hong said the GNP leadership should take the lead in reviewing the administration’s current policies on the North. “Inter-Korean relations shouldn’t go in this way,” he said. Reformist lawmaker Nam Kyung-pil, chair of the National Assembly’s Foreign Affairs, Trade and Unification Committee, said the government needs to come up with new long-term policies dealing with North Korea that can last for 20 to 30 years. “Though there were partial failures of Sunshine Policy, we can’t deny that there were some remarkable outcomes from that policy,” Nam said. “Both ruling and opposition parties should put their heads together and come up with long-term policies to build peace on the Korean Peninsula.” Chung Doo-un, another young, reformist GNP lawmaker, said the Lee administration must review its current diplomatic and security stance, as it is too “hawkish.” Lee Yoon-sung refuted Chung’s argument, saying, “The government at this point doesn’t have room to use engagement policies toward North Korea” after the Yeonpyeong shelling. Another lawmaker, Lee Kyeong-jae, sided with Lee and said tough military confrontation is the most realistic way to keep peace on the peninsula. “It’s wrong to say that military drills are the cause of the escalated tensions on the Korean Peninsula,” Lee said. “North Korea will be careful for the time being because the South Korean government showed its strong will by holding the military drill.” Meanwhile, opposition Democratic Party leader Sohn Hak-kyu said yesterday that he plans to send senior DP officials as delegates to the United States, China and Russia for dialogues on reducing tension on the Korean Peninsula. “The DP will seek dialogue and exchanges from various angles,” Sohn said. “The DP can also take the lead and engage in direct dialogue between the North and South when the situation needs our presence.” (Kim Mi-ju, “GNP Split on Policy to North,” JoongAng Ilbo, December 22, 2010) Hong’s remarks were followed by an outpouring of similar suggestions from other attendees. Fourth-term lawmaker Nam Kyung-pil said, “It is difficult to deny that the Sunshine Policy and Engagement Policy of previous administrations, while failures in some regards, did achieve some results, and that the current administration’s ‘Vision 3000: Denuclearization and Openness’ principle has also had some results and some shortcomings.” “What we need now is a willingness to gather the strengths of the different policies, with the ruling and opposition parties putting their heads together to develop a new,
composed North Korea strategy that goes beyond the administration level,” Nam added. Supreme Council member Chung Doo-un said, “The North Korea policy created by the Lee administration is almost entirely premised on some kind of upheaval in North Korea.” “This, too, requires a thorough reexamination,” he said. Chung also called for a reshuffling of the foreign affairs and national security team, saying that it was “time to reexamine our North Korea line and foreign affairs and national security line, which are made up exclusively of hardliners.” The critical lawmakers were unanimous on “popular sentiment” being the reason a shift in North Korea policy was necessary. “The people of South Korea support the government’s stern response to North Korea’s provocations, but they do not want to live under the continued threat of war,” said Nam during a telephone interview with the Hankyoreh. “They would like to see the government handling the North Korea risk wisely in the mid to long term.” Also factoring into the calls in a determination that tensions on the peninsula cannot be mitigated when the administration is focused solely on maintaining the current situation, with the antagonistic relationship pitting South Korea, the United States, and Japan on one side against North Korea, China, and Russia on the other confirmed with the sinking of the Cheonan and the shelling of Yeonpyeong Island. Chung said, “With policy, you have to have progress along some course, but the Lee administration’s North Korea policy is all antagonism, with no progress.” In a radio interview December 22, Hong Jung-wook, a member of the National Assembly’s Foreign Affairs, Trade and Unification Committee, said that the Cheonan and Yeonpyeong Island incidents “ultimately served as a painful confirmation that China and Russia are major diplomatic variables in the resolution of issues affecting the peninsula.” Hong also said, “We have no choice but to recognize this reality, however frustrating it may be, and focus on mid to long-term efforts.” However, other attendees at the GNP meeting contended that it is still too early for a shift in North Korea policy. Fourth-term lawmaker Lee Yoon-sung said that “no one will object to the idea of adjusting North Korea relations in the mid to long term,” but that South Korea “does not have that luxury right now, nor is it suitable.” Another fourth-term lawmaker, Lee Kyong-jae, said, “When politicians talk about ‘peace’ and ‘dialogue,’ these are very popular and pleasant words, but the question is whether we will really have detente and peace if we proceed into dialogue.” Lee added that “high-level military confrontation is a realistic plan for keeping peace.” Meanwhile, the main opposition Democratic Party is working overtime to extricate South Korea from its current national security morass. These efforts include mulling over the dispatching of special party emissaries to neighboring countries and a visit by the DP leadership to Kaesong Industrial Complex. During a Supreme Council meeting December 20, DP Chairman Sohn Hak-kyu said that he was considering “finding an active path to dialogue by sending party delegations to the U.S., China, and Russia.” He added that he would “pursue direct dialogue between North Korea and South Korea if necessary.” The decision marks Sohn’s acceptance of an proposal for unofficial meetings by Supreme Council members Chung Dong-young and Lee In-young, who say that it is necessary to send representatives to North Korea and neighboring countries in order to relieve tensions on the peninsula. Chung, who will be serving as chairman of the party’s Special Committee for Inter-Korean Peace when it launches in the near future, submitted an application to the Unification Ministry on Wednesday for a visit to Kaesong Industrial Complex. “If we are to prevent tensions and clashes on the Korean
Peninsula and transition into conditions of peace and dialogue, we must use the Kaesong Industrial Complex as a bulwark of peace,” he said. The DP’s recent activities result from an understanding that responding to the current national security situation with defensive criticisms will leave the party at the mercy of the government and ruling party’s military hardline. “We have shifted the tenor of our response to the situation from ‘passive peace’ to ‘active peace,’” explained a key party official. Previously, Song Young-gil, the DP-affiliated mayor of Incheon, presented a plan for resolving the West Sea crisis by turning the Five West Sea Islands, including Baengnyeong Island, into a tourism complex. (Lee Jung-ae and Lee Se-young, “Ruling Party Lawmakers Call for New Direction in N. Korea Policy,” Hankyore, December 23, 2010)

North Korea’s economy has managed to pull off overall gains since 2000 mainly due to international aid, a state-run think tank said. Citing assessments made by the Bank of Korea, the Korea Institute for Industrial Economics and Trade (KIET) said Pyongyang’s economy grew at a modest pace from 2000 through 2005, before contracting in 2006 and 2007. The economy rebounded by expanding 3.7 percent on-year in 2008 before contracting 0.8 percent last year. “The gains made in the last decade can be attributed to overseas support,” the KIET said “If such support dries up, the North’s economy could face hard times again.” (Yonhap, “N. Korea’s Economy Posts Modest Gains Since 2000: Think Tank,” Korea Herald, December 21, 2010)

A day after North Korea backed off threats of violent retaliation for South Korean artillery drills, analysts and policy makers in Seoul said that the North’s unexpected restraint might signal, at least for now, that the North Koreans were shifting away from recent military provocations. Political analysts could only speculate about the sudden change in tone by North Korea, one of the world’s most closed and secretive societies. They said that a visit to North Korea by an unofficial American envoy, Gov. Bill Richardson of New Mexico, that came at the same time might have helped. Indeed, the North seemed to offer Mr. Richardson an olive branch with its willingness to allow United Nations inspectors back in to monitor its nuclear program. “I do commend the South Korean government for their restraint, for their legitimacy in pursuing this military drill,” Richardson told reporters in Beijing today. “And I commend the North Korean leadership for not retaliating.” Most political analysts in Seoul said it was most likely that the North had decided to bide its time while waiting to see whether its attack last month would press South Korea and the United States into talks, and possibly even concessions. They said this was a recurring pattern in the North’s unique brand of brinkmanship: making a provocation in hopes of forcing the other side to negotiate. Despite North Korea’s propaganda of proud independence, Korea watchers noted that the country was desperate to obtain food aid from the South, especially with the hard winter months ahead, and possibly even win security guarantees from Washington as the North’s ailing leader, Kim Jong-il, tries to engineer the succession of his untested third son, Kim Jong-un. “North Korea was thinking very strategically,” said Yang Moo-jin, a professor at the University of North Korean Studies in Seoul. “I think they are trying to create the mood for dialogue.” South Korea had defiantly pushed forward with the drills, despite warnings that they might cause an escalation and calls by China and Russia to cancel them. By refusing to bite at what appeared to be a military challenge by the South, the North was perhaps hoping to cast itself as the
more reasonable of the Koreas, particularly in the eyes of its traditional backers in Beijing and Moscow, some analysts said. Some analysts have suggested the North might be trying to repair its image among the South Korean public, which reacted with outrage to the civilian deaths on Yeonpyeong. Some analysts said the North played a sometimes sophisticated game of wooing public opinion in the South, aimed at winning support for economic aid and other engagement policies. "The world should properly know who is the true champion of peace and who is the real provocateur of a war," KCNA said yesterday. Still, it is unclear how much success the North's strategy will have, particularly in bringing its opponents back to negotiations. The United States has refused to engage in bilateral talks with the North, insisting that all dialogue take place within the six-nation process that also includes China, Japan, Russia and South Korea. But the United States, Japan and South Korea have also rejected recent calls by the other three nations for an emergency restart of the talks without signs that the North is willing to dismantle its nuclear program, something it appears unwilling to do. Robert Gibbs, the White House press secretary, said: "When and if the North Koreans are ever serious about living up to their obligations, then we can think about restarting six-party talks. But the belligerent actions that the North Koreans have demonstrated over the past many weeks I don’t think provide anybody the confidence that they’re even remotely ready to resume in a responsible way those talks." If the North feels that South Korea and the United States are still giving it the cold shoulder, then it could strike again. Analysts said the strike was almost certain to be unpredictable and unconventional. That was true of last month’s shelling, which South Korean officials said surprised them because they had not expected an attack on civilian areas. "Their provocations are beyond our imaginations," said Gen. Han Min-koo, chairman of South Korea’s Joint Chiefs of Staff. Analysts say these provocations reflect the increasing desperation of the Communist North, which needs the resumption of aid shipments from the wealthier, capitalist South to prop up its impoverished state-run economy. Some analysts said the North also sought a peace treaty with the United States that would recognize the government's right to exist. Neither the United States nor the Koreas signed a peace treaty to formally end the Korean War, which came to a halt with a cease-fire. "North Korea has specific reasons for negotiations, and Kim Jong-il is seeking the end of hostilities with the United States, recognition of his government and the survival of his regime," said Chung Dong-young, an opposition South Korean lawmaker. Some political analysts said it might also be tough for Mr. Lee’s government to make concessions to the North after the president faced such withering public criticism for what has been seen here as weak responses to the shelling of Yeonpyeong and the sinking of the South Korean warship, the Cheonan. "The Cheonan and Yeonpyeong Island changed public opinion," said Song Dae-sung, president of the Sejong Institute, a private research group. "The people want a harder line toward North Korea." (Martin Fackler and Mark McDonald, “North Korea Again Opting for the Unexpected: Restraint,” New York Times, December 23, 2010, p. A8)

South Korea plans to conduct its largest-ever ground and air live-fire drill near the border with North Korea tomorrow, as the South’s military remains on alert for the North’s surprise provocations not only in the tense western border regions, but also in other unforeseen areas, officials said. The Army’s combined live-fire exercises, set to occur at a range in Pocheon, north of Seoul, will feature K-9 self-propelled guns,
multiple launch rocket systems, anti-aircraft guns, attack helicopters and six Air Force jets, including two F-15K jets, said the officials. "The firing drill for multiple launch rockets has so far been conducted individually. But this time they will be combined with other artillery," said an Army official. Multiple launch rocket launchers are capable of delivering almost 8,000 munitions in less than 60 seconds at ranges exceeding 32 kilometers. **A one-star Army general involved in the drill said that the military will conduct a thorough counterstrike on North Korea's artillery positions in the case of any further provocations by the communist state.** (Yonhap, “S. Korean Army to Stage Massive Firing Drill to Deter N.K. Provocations,” December 22, 2010) The air force and army drills will involve 800 troops, F-15K and KF-16 jet fighters, K-1 tanks, AH-1S attack helicopters and K-9 self-propelled guns. They will take place in Pocheon, about 30 miles (45 kilometers) north of Seoul and about 21 miles (33 kilometers) south of the North Korean border. (Hyung-jin Kim, “S. Korea Holds Massive New Drills after North Attack,” Associated Press, December 22, 2010)

The Korea Customs Service in Seoul said that the volume of inter-Korean trade through the industrial park surged by 62 percent from a year earlier to US$1.3 million from January through November. The number of South Korean companies operating at the complex grew by 30 percent to 121 compared to 93 in 2009. Customs officials say the increase comes as the economic recovery in the South helped boost production. However, excluding trade through the industrial complex, overall inter-Korean trade dropped by 30 percent to $464 million. (Chosun Ilbo, “Inter-Korean Trade through Kaesong Complex Increases in 2010,” December 23, 2010)

South Korea is set to conduct its largest-ever live-fire military exercises just 20km short of the border with North Korea, in a move that could spark fresh tension on the Korean peninsula. “The military drills should not be used for domestic political purposes,” said Yang Moo-jin, professor at the University of North Korean Studies in Seoul. “Strengthening only military drills while inter-Korean dialogue is completely stopped could result in a vicious circle.” Robert Gibbs, White House spokesman, said, “Exercises that have been announced well in advance, that are transparent, that are defensive in nature should in no way engender a response from the North Koreans.” North Korea this week made some conciliatory gestures, telling Bill Richardson, former U.S. ambassador to the United Nations, it was willing to allow UN inspectors access to its main nuclear site in Yongbyon. But, speaking to the FT, a senior U.S. official said that, for the six-party talks to go forward, North Korea would have to agree to international inspectors well beyond Yongbyon, which he described as the “tip of the iceberg.” The official set out Washington’s road-map towards resuming the six-party talks on Pyongyang’s nuclear programme and reducing tensions over the Stalinist state’s recent actions. Washington insiders suggest that if North Korea uses uranium enrichment to produce weapons grade material, it is likely to do it at other facilities well away from Yongbyon, making access to other sites all the more important. “Any final nuclear deal [on resuming talks] is going to have to include not only inspections at Yongbyon but also inspections at suspect facilities,” the official said. He also said China and the U.S. agreed the first step towards talks was a reduction of tensions between Seoul and Pyongyang. He hailed what he said was an “important shift” in Beijing’s position. “Both we and China agree that the first step back to negotiations is some kind
of progress in the North-South relationship,” he said. “They and we privately are going to be working with Seoul and Pyongyang to try to move that forward.” U.S. officials say that North Korea’s decision not to retaliate against South Korea’s previous military exercises this week is probably connected with pressure from Dai Bingguo, China’s senior diplomat, who visited Pyongyang last week. However, some US experts emphasise that China is not imposing the same demanding conditions for North Korea to return to the six-party talks as are the US, Japan and South Korea. The official added that North Korea would feature as a topic of Chinese president Hu Jintao’s visit to Washington next month. “What is important is that the US and China agree on the path forward from now until we can resume negotiations,” he said. (Song Jung-a and Daniel Dombey, “S. Korea Set for Live-Fire Drills Close to Border,” Financial Times, December 20, 2010, p. 6)

President Lee Myung-bak said that strong counter-blows against North Korea’s attacks are a way to keep peace on the peninsula, as his military held a large-scale air and ground drill near the heavily armed inter-Korean border. “I thought patience would bring peace to this land, but (the reality) was not so,” Lee said during a rare visit to a front-line army unit in Yanggu, Gangwon Province, which also took him to a guard post about one kilometer from North Korea. Lee said he realized that only tough action against the North’s attacks enables South Korea to maintain peace, deter the communist neighbor from provoking further and prevent a war. “We can prevent (the North) from taking provocative acts through strong unity together with powerful response,” Lee said. “Unfortunately, the world’s most belligerent group is in the North,” he said. “Folks there are starving. The money used to make atomic bombs could have fed all the people.” (Lee Chi-dong, “Lee Says Tough Reaction to N. Korea’s Provocations Necessary for Peace,” Yonhap, December 23, 2010)

Amid the escalating tension on the Korean Peninsula, North Korea on December 23 reiterated its warning of nuclear warfare, with a top North Korean military leader saying that the North is ready to launch a “sacred war against the U.S. imperialists and their followers on the basis of nuclear deterrent.” According to KCNA, Kim Yong-chun, minister of the People’s Armed Forces, made the warning while reading a report during a ceremony in Pyongyang marking the 19th anniversary of leader Kim Jong-il gaining supreme commandship of the (North) Korean People’s Army (KPA). “The revolutionary armed forces of the DPRK (North Korea) are getting fully prepared to launch a sacred war of justice of Korean style based on the nuclear deterrent at any time necessary to cope with the enemies’ actions deliberately pushing the situation to the brink of a war,” Kim was quoted by the KCNA as saying in the report. “The enemy’s scenario for aggression aimed at the start of another Korean War has reached the phase of its implementation. The army and people of the DPRK (North Korea) never make empty talk. Should the enemies intrude into the sky, land and seas of the DPRK even 0.001 millimeter, the KPA will as ever continue dealing more devastating physical blows at them without hesitation,” Kim said. “In case the U.S. imperialists and their followers finally spark off an all-out war, the revolutionary armed forces of the DPRK will not only wipe out the aggressors, but blow up their bases and thus eradicate the root cause of war and surely accomplish the historic cause of national reunification,” he said. KPA Vice Marshal Kim Yong-chun, also a member of the Political Bureau of the
Central Commission of the Workers’ Party, said the defense industry of the DPRK is now capable of producing any ultra-modern weapon and the KPA is demonstrating its might as a matchless revolutionary army. (Yonhap, “North Korea Threatens to Wage Sacred War Based on ‘Nuclear Deterrent,’” North Korea Newsletter 138, December 30, 2010)

President Lee met with troops manning a front-line army base in the east on the type of morale-boosting visit more commonly seen in the North. He vowed to retaliate if attacked again. “I had thought that we could safeguard peace if we had patience, but that wasn’t the case,” he told the troops, according to his office. Any surprise attack will be met with an “unsparing” response, he warned. (Jean H. Lee, “War Rhwetoric Rises between North and South Korea,” Associated Press, December 23, 2010)

At a briefing Siegfried Hecker estimated that the facility is capable of producing two metric tons of LEU each year. That amount would be appropriate for fueling a reactor of the size North Korea intends to construct or for producing up to 40 kilograms of HEU, which is enough for one to two nuclear weapons. Hecker said that the centrifuges originally must have been installed in a plant in another location and moved to Yongbyon. He noted that North Korea could possibly have other enrichment facilities, adding that they would be difficult to detect. The P-2 centrifuge can enrich uranium more than twice as fast as the P-1. Hecker said he was concerned that North Korea was cooperating with Iran on centrifuge development, but he said that the facility he was shown indicates that North Korea’s enrichment program is more advanced than Iran’s. “I would not go to Iran if I were North Korea,” he said adding, “but it might in the future be the other way around.” Centrifuge capabilities are generally measured in separative work units (SWU), or the effort needed to separate isotopes in the enrichment process. Iran’s industrial-scale Natanz facility is estimated to average less than 4,000 SWU per year while, according to Hecker, North Korea claims that the Yongbyon enrichment plant has an annual capacity of 8,000 SWU. Hecker said North Korean technicians told him that their centrifuges were based on designs used by the European enrichment consortium Urenco, from which Khan stole the centrifuge designs during the 1970s, and Japan’s Rokkasho-mura enrichment plant. The relation to the Rokkasho-mura plant is uncertain. According to Hecker, North Korea admitted for the first time that it was capable of producing uranium hexafluoride (UF6), the feedstock for uranium enrichment. Although Pyongyang has denied possessing a UF6 plant in the past, suspicions mounted when international inspectors discovered UF6 in Libya that the United States believes originated in North Korea. Peter Crail, “N. Korea Reveals Uranium-Enrichment Plant,” Arms Control Today (December 2010), pp. 35-39

A seven-year effort by the Central Intelligence Agency to hide its relationship with a Swiss family who once acted as moles inside the world’s most successful atomic black market hit a turning point today when a Swiss magistrate recommended charging the men with trafficking in technology and information for making nuclear arms. The prospect of a prosecution, and a public trial, threatens to expose some of the C.I.A.’s deepest secrets if defense lawyers try to protect their clients by revealing how they operated on the agency’s behalf. The three men – Friedrich Tinner and his two sons, Urs and Marco – helped run the atomic smuggling ring of A. Q. Khan, an architect of
Pakistan’s nuclear bomb program, officials in several countries have said. In return for millions of dollars, according to former Bush administration officials, the Tinners secretly worked for the C.I.A. as well, not only providing information about the Khan network’s manufacturing and sales efforts, which stretched from Iran to Libya to North Korea, but also helping the agency introduce flaws into the equipment sent to some of those countries. Prosecuting the case could also expose in court a tale of C.I.A. break-ins in Switzerland, and of a still unexplained decision by the agency not to seize electronic copies of a number of nuclear bomb designs found on the computers of the Tinner family. One of those blueprints came from an early Chinese atomic bomb; two more advanced designs were from Pakistan’s program, investigators from several countries have said. Ultimately, copies of those blueprints were found around the globe on the computers of members of the Khan network, leading investigators to suspect that they made their way to Iran, North Korea and perhaps other countries. In 2003, atomic investigators found one of the atomic blueprints in Libya and brought it back to the United States for safekeeping. The book, “Fallout,” by Catherine Collins and Douglas Frantz, scheduled to be published next month, tells how the C.I.A. sent the men coded instructions, spied on their family, tried to buy their silence and ultimately had the Bush administration press Switzerland to destroy evidence in an effort to keep the Tinners from being indicted and testifying in open court. The book says the C.I.A. broke into a Tinner home in 2003 and found that the family possessed detailed blueprints for several types of nuclear bombs. (William J. Broad and David E. Sanger, “C.I.A. Secrets Could Surface in Swiss Case,” New York Times, December 24, 2010, p. A-1)

ICG: The armistice did not establish a maritime boundary, but it did decree that “the waters of the Han River Estuary shall be open to civil shipping of both sides wherever one bank is controlled by one side and the other bank is controlled by the other side.” The MDL extends west through about the last 55km of the Han River before the estuary empties into the Yellow Sea. According to the armistice, “civil shipping of each side shall have unrestricted access to the land under the military control of that side,” and the “Military Armistice Commission (MAC) shall prescribe rules for the shipping in that part of the Han River Estuary.” However, the estuary has not been developed for commercial shipping; instead, it has remained heavily guarded by both sides. When the armistice went into force on 27 July 1953, the UNC occupied the islands in the Yellow Sea south of the 38th parallel. The KPA and CPV never gained control of the islands in this area near the Ongjin Peninsula even though they held ground on the west coast of Korea as far south as the Han River Estuary (about 37° 44’ 25” N). They could not wrest control of the islands because they lacked the capability to land troops under the fire of the UNC’s superior naval and air forces. During the armistice negotiations, the northern side apparently failed to recognize the strategic importance of the islands, and instead focused on maintaining control of Kaesong. 

…The armistice stipulated that all islands to the north and the west of the provincial boundary between Hwanghae Province and Kyŏnggi Province (this line was slightly north of the Han River Estuary) would be under the control of the KPA and CPV, except for the islands of Paengnyŏngdo, Taech’ŏng-do, Soch’ŏng-do, Yŏnp’yŏng-do and U-do. All islands south of the provincial boundary line were to remain under the control of the UNC. [The 38th parallel was established by the U.S. and the Soviet Union as a
“temporary” boundary to disarm and repatriate Japanese forces in August 1945. The boundary became “permanent” when separate states were created in the two zones. The UNC’s original plan was to swap some of the islands for Kaesŏng, but the KPA and CPV negotiators refused the offer because of the city’s cultural, historical and political value. The UN side gave several small islands to the DPRK since they were close to the shore and probably indefensible.] The armistice did not provide for maritime boundaries, but it commits the commanders on both sides “to insure the stability of the military armistice so as to facilitate the attainment of a peaceful settlement through the holding by both sides of a political conference of a higher level.” The issues of a permanent peace and permanent boundaries were relegated to political authorities, but the two sides have made very little progress since 1953. The east coast maritime boundary in the Sea of Japan, or “MDL extended,” is comparatively simple since the coastline is relatively straight and there are no islands near the line. However, the west coast boundary issue is complicated by the number of islands and small islets, a jagged coastline, and the strategic and economic value of the area. After the armistice was signed, the two sides failed to reach an agreement on maritime boundaries; the northern side insisted that territorial waters extend twelve nautical miles (NM) from the coast, but the UN Command would accept nothing more than three nautical miles, which was the common international standard at the time. The current standard is twelve nautical miles. On 30 August 1953, UNC Commander Mark Clark, an American four-star general, unilaterally drew the NLL to maintain a separation of opposing military forces with the intention of reducing the likelihood of a military clash at sea. The NLL was drawn from the Han River Estuary through twelve coordinates equidistant between the five islands and the shoreline and at least three nautical miles from the DPRK shoreline. The UNC Commander insisted that North Korea was entitled to no more than this amount of territorial sea, but Pyongyang asserted it should have twelve nautical miles. The UNC Commander also established a 3-NM territorial water limit surrounding the five UNC-controlled islands that still stands today. The line initially was drawn as a northern boundary to prevent ships from the south drifting north, but gradually became recognized by the south as a de facto maritime boundary. Pyongyang has never recognised the NLL and has increasingly challenged its legitimacy. On 5 March 1953, the DPRK cabinet issued a decree establishing a 12-NM boundary for its territorial waters, and in September 1958, Pyongyang reiterated its claim. The DPRK captured the USS Pueblo on 23 January 1968 for allegedly violating its 12-NM limit. In early November 1973, Pyongyang declared in a radio broadcast that “the five islands are in the territorial waters controlled by the KPA, and everyone must receive permission to travel to and from the islands in advance. We sternly warn the South Korean authorities that vessels naturally will be subject to inspection and necessary measures will be applied to violators.” At the Third UN Conference on the Law of the Sea in 1975, the DPRK delegate described the then customary 3-NM territorial water limit as an “imperialist mechanism that enabled the developed countries to encroach upon and control resources that rightfully belong to the developing countries”. Pyongyang asserted that each individual country should have the right to establish its own territorial sea boundaries. In 1976, an official informed a visiting Japanese fisheries delegation that in “accordance with the world trend, the DPRK recognizes the 12-NM limit and will establish a 50-NM maritime security zone.” On 21 June 1977,
Pyongyang announced it would enforce a 50-NM military exclusion zone and a 200-NM economic exclusion zone from 1 August 1977. According to the proclamation, foreign military vessels or aircraft are never permitted within the 50-NM zone, and civilian vessels and aircraft must receive permission before transiting. The 1982 UN Convention on the Law of the Sea (UNCLOS) provides for twelve nautical miles for territorial waters and up to 200 nautical miles for an exclusive economic zone. When states have overlapping territorial claims, UNCLOS generally adheres to an “equity principle” to delineate boundaries, but does not define what is “equitable”. The convention has guidelines for settling disputes over maritime boundaries, which are directly connected to claims on territorial waters, the continental shelf and concomitant resources, and exclusive economic zones. Article 287 stipulates that disputes can be settled through the International Tribunal for the Law of the Sea, the International Court of Justice or by special tribunal. Member states are committed to peaceful dispute settlement. South Korea ratified UNCLOS in 1996. North Korea has signed but not ratified the convention. Several boundary disputes have been adjudicated according to UNCLOS guidelines, but it is very unlikely for the two Koreas to submit the NLL issue for arbitration because of domestic political sensitivities. Neither Seoul nor Pyongyang view inter-Korean disputes as “international” since Korean division is supposed to be a temporary condition. Second, under UNCLOS, the legal legitimacy of the NLL is suspect and an inter-Korean maritime boundary would almost certainly be farther south than the NLL. While some South Koreans would be willing to compromise on the boundary, this would alarm those who view North Korea as a significant security threat. South Korean fisheries groups also oppose revising the status quo because their boats could lose access to lucrative fishing areas. The matter is further complicated by South Korea issuing a declaration on 18 April 2006 that it does not select or prefer any of the three dispute settlement procedures provided by UNCLOS. However, Seoul did not renounce its right to submit a settlement request to a court or tribunal in the future. ... Pyongyang did not really protest the status of the “five islands” and the NLL until October 1973. The North gained confidence to escalate provocations after it acquired attack missile boats. Between November 1973 and February 1974, DPRK ships crossed the NLL about 200 times. During the late 1970s, fishing boats and KPA naval vessels regularly crossed the line about twenty to 30 times a year but usually returned north when confronted by ROK patrol boats. Previously both Koreas have renounced the use of military force against the other side and have committed to resolving disputes peacefully. In particular, the 4 July 1972 “North-South Joint Communiqué” stipulated that both Koreas would refrain from armed provocations and that reunification would be achieved by peaceful means. The “Agreement on Reconciliation, Nonaggression, and Exchanges and Cooperation between North and South Korea” (Basic Agreement), which went into effect on 19 February 1992, included six articles on non-aggression and confidence building measures. It proclaimed that “the North-South demarcation line and the areas for nonaggression shall be identical with the Military Demarcation Line provided in the Military Armistice Agreement of 27 July 1953, and the areas that each side has exercised jurisdiction over until the present time” (emphasis added). ...  

1. The Rules of Engagement The North Korean military - and government system as a whole - is very centralized, and few details are known about the KPA’s rules of engagement or what authority is delegated to local commanders during peace or war.
Rules of engagement in South Korea are complicated by its alliance with the U.S. Shortly after the outbreak of the Korean War, the UN Security Council adopted Resolution 84, which put the mission under U.S. command. During the Korean War, the ROK military was under the operational control of the UNC commander in order to maintain a unity of command. The UNC commander, who is subordinate to the U.S. chairman of the Joint Chiefs of Staff (JCS) and is responsible for upholding the armistice, has established the rules of engagement with the KPA since 1953. Because the NLL was originally established unilaterally by his predecessor, the UNC commander continues to play a central role. As their military capabilities have continually improved after the war, South Korean forces have assumed greater responsibilities for forward defense. They now patrol practically all areas near the MDL and the NLL, and they are most likely to clash with the KPA. Although Seoul never signed the armistice, South Korea is bound to it because the UNC commander signed it on behalf of all forces, including the ROK, under his command at that time. According to the U.S.-ROK Mutual Defence Treaty, both parties “undertake to settle any international disputes in which they may be involved by peaceful means … and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations, or any obligations assumed by any Party towards the United Nations.” Under Article 2, both parties agree to “consult together whenever, in the opinion of either of them, the political independence or security of either of the Parties is threatened by external armed attack.”

In November 1978, long after the multinational dimension of the UNC had become a symbolic rather than a warfighting institution, the U.S. and South Korea established the Combined Forces Command (CFC). Led by a U.S. four-star general and a ROK four-star general as deputy commander, the CFC has operational control of over 600,000 active duty personnel from both countries. … The CFC has retained operational control (OPCON) of South Korean military forces except for “several subordinate units of the Second ROK Army, the Capital Defense Command, and the Special Operations Command.” The CFC commander, who is subordinate to the commander of the U.S. Pacific Command in Hawaii, has control of ROK forces during wartime or when the defense readiness condition (DEFCON) reaches level three. The U.S. and South Korean national command authorities can raise the DEFCON level for their respective armed forces independently and unilaterally. A four-member U.S.-ROK Military Committee (consisting of the chairmen of the two JCS, the U.S. Pacific Command Commander and the ROK Army Chief of Staff) consults and provides advice to the national command authorities to determine any changes in the DEFCON level for the peninsula. If the national command authorities concur, the level is raised for both armed forces. As far as any potential disagreement on raising the level, the South Koreans are more inclined to seek an elevation than the Americans. The normal condition under the armistice is DEFCON four; at DEFCON three, OPCON transfer to CFC occurs. A change in level is uncommon, but it was raised to DEFCON three during the June 1999 inter-Korean naval clash. In 1994, operational control of most ROK military forces in peacetime was transferred to the South Korean Joint Chiefs of Staff (JCS). While the Mutual Defence Treaty stipulates that the two allies will consult one another if one believes “the political independence or security of either of the Parties is threatened by external armed attack,” this is a political decision subject to interpretation. The South Korean Joint Chiefs and the Ministry of National Defence are responsible for
establishing peacetime rules of engagement for the military units under their command. Distinct rules of engagement are in place for encounters on land, in the air or at sea. At the time of the June 1999 sea battle, the ROK rules of engagement at sea included five steps:

q Broadcasting a warning to return north across the NLL.
q Maneuvering ROK naval vessels to pass in front of DPRK ships to discourage passage.
q Blocking maneuvers and ramming into DPRK ships to stop their progress.
q Warning shots.
q Firing at DPRK vessels.

Detailed rules of engagement remain classified and they differ according to the type of vessel. The South Korean media have reported there are two types of warning shots, typically blank rounds followed by “threatening rounds” fired in front of the KPA vessel. After the June 1999 sea battle, then President Kim Dae-jung issued four guidelines to the defense ministry:

q Defend the NLL.
q No pre-emptive fire or attacks.
q If the KPA fires first, fire back and repel the attack according to the rules of engagement.
q Take no actions to escalate to war. …

2. June 1999: The first battle of Yŏnp’ŏng Island

The conflict began on 5 June 1999, when the DPRK started attempts to enforce its declared 12-NM territorial sea limit, which lies south of the NLL. The following day, the [North] Korean Central News Agency (KCNA) reported that the South “committed a grave military provocation of illegally intruding warships deep into the territorial waters of the North.” Although ROK naval vessels were conducting patrols south of the line, they had approached within twelve nautical miles of the North’s shore. Rodong Sinmun, the official daily of the [North] Korean Workers Party (KWP) described the “infiltrations” as a “premeditated provocative act intended to find an excuse to make a pre-emptive attack against the North under a war scenario mapped out by the United States.” DPRK media reported that “deep incursions also occurred on 7-8 June, but that ROK warships turned south once KPA naval vessels confronted them and DPRK coastal batteries took a firing posture.” South Korean media described the events as a foray into ROK territorial waters, as the North’s vessels crossed south of the line daily 8-10 June, with six KPA naval patrol boats as far as 6km south at 1pm on the 8th. South Korea dispatched eight patrol boats and broadcast warnings to return north, which they did in the late evening, but the ROK patrol boats were put on alert. The next morning at about 5:40am, fifteen North Korean fishing vessels, under the escort of six KPA patrol boats, crossed the NLL and began fishing operations 1-4km south of the line. At 6:35, a ROK speedboat and KPA patrol boat collided as the ROK vessels were trying to get the North Korean ships to return north of the line. While the South Korean defense ministry said that “crossing south of the NLL is an incursion into ROK territorial waters,” North Korean media described “repeated military provocations … by scores of [South Korean] warships deep into DPRK territorial waters.” “[S]elf-restraint by the KPA prevented armed conflict.” The UN Military Armistice Commission and South Korea requested a meeting with North Korea’s military authorities at
P’āmnunjŏn on the 9th, but Pyongyang declined. The situation escalated on the 11th when “dozens of ROK patrol boats intentionally rammed into DPRK vessels about 10-11km south of the NLL and about 11.7km west of Yŏnp’yŏng Island.” The maneuvers significantly damaged four of six North Korean boats, while the ROK vessels were relatively unscathed. The DPRK vessels then retreated north as South Korea began to deploy dozens of naval combat ships including frigates and destroyers to the area in addition to beginning preparations for joint and combined operations with the U.S. to “defend the NLL at all costs.” The ROK defense ministry also announced it was putting the military on high alert, arming its naval vessels with ship-to-ship missiles and was preparing to deploy the Special Warfare Command to the area. Shore artillery, guided missiles and submarines were put on standby. On 12 June, Pyongyang agreed to general officer talks on the 15th in P’āmnunjŏn to discuss the matter. The following day, the ROK JCS said they had indications that KPA shore batteries were aiming their surface-to-ship missiles at South Korean vessels as North Korean boats continued to cross the line. At about 7:15am on the 15th, twenty North Korean fishing boats crossed over escorted by six KPA patrol boats and three torpedo boats and began fishing up to 2km south of the line. At 9:20, about 2.5km south of the line and about 13.2km west of Yŏnp’yŏng Island, ten South Korean speed boats and patrol boats began to ram the KPA vessels to force them to return north, as they had done four days earlier. However, at 9:25, only 35 minutes before the general officer talks began, KPA ships opened fire with automatic cannon rounds, and the South Korean vessels responded in kind. At the end of the short battle, one KPA torpedo boat had been sunk, one patrol boat – the T’ungsan’got-684 – was partially sunk but towed back to the North, and three other KPA patrol boats suffered extensive damage. One of the first ships to fire on the KPA vessels was the ROKS Ch’ŏnan. South Korean and Western media reported that at least seventeen KPA personnel and possibly as many as 30 died in the battle, but only nine South Korean sailors suffered minor wounds and two of their boats were slightly damaged. Nine minutes after the talks began in P’āmnunjŏn, the North’s delegates told their counterparts that the “South Korean Navy had first opened fire against North Korean sailors at 9:15am and that North Koreans are dying now.” Their knowledge of the skirmish and the fact the delegates said the battle began before it in fact did led many to believe that it was a premeditated attack. The talks took a recess while the UNC confirmed the information about the battle, but after resuming the two sides were unable to narrow their differences. A KPA spokesman on 20 June described the clash as “an adventurous act for provocation of war which the South Korean authorities had planned, prepared in secrecy and promoted”. The spokesman said the ROK tried “to block the routine KPA Navy patrols and when that failed they resorted to ‘bump-and-push operations’ accompanied by the firing of bullets and shells.” The North claimed to have “burned or severely damaged more than ten ROK naval vessels while inflicting many casualties.” Subsequent DPRK media reports described the battle as “a wanton violation of the armistice” and “a deliberate military provocation committed by the South Korean authorities under the patronage of the U.S. to increase tensions and ignite a war on the Korean peninsula.” In general officer meetings at P’āmnunjŏn on 22 June, the DPRK delegation cited the armistice in claiming that only the five islands are under control of the UNC and that the islands lie within the territorial waters of the North. The delegation asserted that their boats have the right to fish in the surrounding
waters under the escort of KPA naval vessels, and therefore, the ROK navy’s blocking attempts infringed their “self-defense patrol duties.” More general officer meetings were held to discuss the incident, but the two sides were unable to resolve their differences. The tension surrounding the incident soon subsided. However, the KPA General Staff issued a special communique on 2 September 1999 declaring a “new Military Demarcation Line in the West Sea.” The boundary is further south than the NLL, which was declared invalid. The communique stated that the KPA would assert their “self-defensive right to the Military Demarcation Line at the West Sea of Korea … by various means and methods.”… After DPRK ships crossed the NLL 70 times in 1999, the number of crossings declined to fifteen in 2000 and to sixteen in 2001. Tensions dissipated as the “sunshine policy” of then President Kim Dae-jung began to improve inter-Korean ties and resulted in the first inter-Korean summit exactly one year after the 1999 sea battle. …

3. June 2002: The second battle of Yŏnp’yoŋ Island The second sea battle in 2002 near Yŏnp’yoŋ Island also occurred during the crab fishing season, on 29 June, the day before the World Cup football final co-hosted by Japan and South Korea. KPA naval vessels had previously crossed the NLL but returned north on 11, 13, 27 and 28 June. On the 29th, the first of two KPA SO-1 class coastal patrol boats, the Yukto-388, crossed the NLL at 9:54am. There were no fishing boats to escort in the area. The Yukto-388 proceeded 12.6km west of Yŏnp’yoŋ Island and 3.2km south of the NLL. At that time about 30 DPRK fishing boats were fishing north of the line. The ROK Second Fleet Situation Room in Inch’ŏn and the JCS Command Centre were alerted about the crossing. About seven minutes later, another patrol boat, the Tŭngsan’got-684, which was heavily damaged in the June 1999 battle, crossed the NLL about 22.5km west of Yŏnp’yoŋ Island and navigated 5.4km south of the line. As one formation of two ROK fast patrol boats (the Ch’amsuri-357 and Ch’amsuri-358) approached the KPA vessels, two other formations of ROK fast patrol boats (a total of four vessels) were dispatched in support. The first set of patrol boats approached within about 450 meters of the KPA vessels and broadcast three warnings to return north of the NLL. At 10:25, the Tŭngsan’got-684 fired three 85-mm rounds at the Ch’amsuri-357, killing five crew members, including the ship commander Lieutenant Yun Yŏng-ha. Although gravely damaged and with its communications systems knocked out, the Ch’amsuri-357 and the Ch’amsuri-358 immediately returned fire. At 10:26, the ROK Second Fleet Command dispatched two corvette patrol ships, the Chech’on and the Chinhae, which began firing at 10:43 and 10:47, respectively, but they were about 12km or 13km from the target - beyond the effective range of their guns. The Ch’amsuri-327 and Ch’amsuri-365 patrol boats, the first to arrive to assist the damaged ROK vessel, began firing at the Tŭngsan’got-684 at 10:30. Two ROK fighter jets were diverted from their air patrol on the west coast. The fighters arrived in the area of the sea battle at 10:38, but they only flew combat air patrols to intercept any potential DPRK aircraft. An investigation of the incident revealed that the Second Fleet Command had misunderstood the initial damage and casualty reports and the command first believed that the South’s losses were relatively insignificant compared to those of the KPA, whose vessels were limping back towards the NLL. By 10:43, the Tŭngsan’got-684 was reported to be in thick flames and bellowing smoke, and to have suffered heavy casualties. At 10:48, the Chech’on detected emissions from KPA missile boats, indicating they were preparing to fire Styx anti-ship missiles. The
Tüngsan’got-684 crossed north of the NLL at 10:51 and at 10:56, the Second Fleet Commander ordered his ships to cease fire. At 11:00, the ROK ships turned south and at 11:25 the extent of casualties and damage was confirmed just as the military detected KPA units on shore turning on their radars and preparing to launch silkworm anti-ship missiles. The Ch’amsuri-357 sank while being towed. The decision to call off the pursuit was based on the desire to avoid escalation to war as outlined under President Kim’s guidelines, as well as under the rules of engagement and the responsibilities of the UNC to uphold the armistice. ...After the battle, the ROK defence ministry released a statement that described “the surprise attack substantiating the possibility of a premeditated and intentional attack.” The statement also discounted the possibility of an unauthorized attack without the approval from the highest DPRK authorities. The statement provided several possible motivations:

q Avenge the defeat in the June 1999 sea battle.
q Disrupt the festive mood in South Korea during the World Cup.
q Distract from international criticism of DPRK human rights abuses.
q Gain leverage in future talks with South Korea and the U.S.
q Direct international attention to the NLL issue in an effort to undermine its legitimacy.

...However, the defense ministry statement failed to mention important details concerning ROK fishing boats on the morning of the attack. At 6:30am six patrol boats, more than the usual number, began their patrols to protect ROK fishing vessels. At about 7:30, there were 56 ROK fishing boats in the area, and twenty of those had crossed north of the fishing control line, which lies 8.9km south of the NLL. The patrol boats began advising the fishing boats to return south of the fishing control line. At that time, all North Korean fishing boats were north of the NLL. Some hypothesized that the KPA patrols reacted to the aggressive maneuvers of the ROK patrol boats, which were actively rounding up fishing boats that had strayed too far north. DPRK officials and media unsurprisingly expressed a different interpretation of the event. KCNA reported that ROK warships and fishing boats had been intruding deep into the North’s territorial waters for several days prior to the clash. The actions of the KPA patrol boats were “defensive.” ...After review, the rules of engagement were changed. The five steps were reduced to three after the elimination of threatening maneuvers and the physical blocking or colliding with KPA vessels:

q Broadcasting a warning to return north across the NLL.
q Warning shots.
q Firing at DPRK vessels.

President Kim Dae-jung reportedly approved these new rules of engagement only reluctantly, and the DPRK warned they would never accept them.

To the Government of the Republic of Korea:
1. Abandon claims that the NLL is an inter-Korean maritime boundary and offer to accept international arbitration, overturning previous rejections of such mechanisms.
2. Cease all live fire artillery exercises in the disputed waters of the Yellow Sea.
3. In the context of an artillery cease fire in the area of the five islands, review defence posture (including improving early warning capabilities in the Yellow Sea) and rules of engagement with a view to improving deterrence and better ensuring protection of civilians, including through deployment of other weapons systems such as ground-based precision-guided munitions and fighter aircraft.

To the Government of the Democratic People’s Republic of Korea:
5. Ratify the UN Law of the Sea Convention and accept an arbitration under international law - under the framework of UNCLOS - to establish an inter-Korean maritime boundary in the Yellow Sea.
6. Cease all live fire artillery exercises in the disputed waters of the Yellow Sea.

To the Government of the People’s Republic of China:
7. Continue to advocate publically and privately for all parties to cease live fire artillery exercises in the disputed waters of the Yellow Sea.
8. Encourage the DPRK to abide by its obligations under the UN Charter, the Korean War Armistice Agreement and the inter-Korean “Basic Agreement” of 1992.
9. Encourage the DPRK to ratify the UN Law of the Sea Convention and both the DPRK and ROK to accept an arbitration under international law to establish an inter-Korean maritime boundary in the Yellow Sea.

To the Government of the United States:
10. Encourage the ROK to accept an arbitration under international law in the establishment of an inter-Korean maritime boundary in the Yellow Sea.
11. Continue to advocate publically and privately for all parties to cease live fire artillery exercises in the disputed waters of the Yellow Sea.
12. Ensure close alliance cooperation with Seoul, including frequent combined military exercises, to ensure a credible deterrence posture. (International Crisis Group, North Korea; The Risks of War in the North Korea; The Risks of War in the Yellow Sea, December 23, 2010)

Von Hippel and Hayes: “The unveiling of the DPRK’s enrichment and pilot light water reactor program offers another moment for engagement with Pyongyang, another point of leverage over how its nuclear weapons program evolves, and a new opportunity to determine whether it can be influenced to recommit to the global nuclear nonproliferation and disarmament regime. We believe that it may be possible to slow and even reverse the DPRK’s nuclear breakout by collaboration that assists it to develop small light water reactors (LWRs) that are safe, reliable, and above all, safeguarded, and integrates its enrichment capacity into a regional enrichment consortium, possibly as part of a Northeast Asian Nuclear Weapon Free Zone. Such an engagement could entail some or all of the following steps: Immediately deploying a small barge mounted reactor (possibly Russian) to provide power in a coastal North Korean town; Helping the DPRK to make or contribute to low enriched uranium to fuel such a barge-based reactor; Jointly designing with North Korea a made-in-DPRK small reactor that meets international safety and manufacturing standards, possibly in a joint project with ROK LWR manufacturing firms; Undertaking the power system planning for the rational development of a national grid capable of supporting a fleet of small LWRs over a decade; Creating a multilateral financing scheme (possibly linked to a regional grid connecting the ROK with the Chinese and Russian Far East grids) for the manufacturing and construction of small LWRs in the DPRK over time, starting with a survey of DPRK manufacturing capabilities capable of contributing to or being upgraded to international standards required for safe, reliable LWR production; Creating a regional enrichment consortium involving Japan, the ROK and the DPRK (among other possible partners) whereby DPRK enrichment capacities are either
incorporated into a safeguarded scheme, possibly operated as part of a multinational
facility, in return for which the DPRK would reveal all its enrichment acquisition history;
development of a small reactor export program as part of an inter-Korean nuclear
export push; and a program of training and institutional development needed to
support each of these activities that is currently almost completely missing in the DPRK
today. …We were prompted to undertake this analysis by the fact that the most
important (but least covered by mass media) part of Siegfried Hecker’s report on the
DPRK’s uranium enrichment and small light water reactor (LWR) program was that this
program offers a new entry point for engagement and leverage over the DPRK’s
nuclear weapons program. His report was issued after a Stanford University team
exited from the DPRK where they observed on their mid-November visit to the DPRK
that the plant had about 2000 operating centrifuge units with modern-looking control
facilities at a complex in Yongbyon. Moreover, they were told that the DPRK was
planning to construct a domestically-built light water reactor (LWR) with an estimated
size of 25 - 30 megawatts of electric generating capacity (MWe), and were shown a site
where initial work on the reactor was underway. This unit is very small by global
standards as typical modern reactors are 1,000 MWe or larger. The very small
DPRK LWR is apparently designed to be a pilot unit for a fleet of small reactors,
each perhaps on the order of 100 MWe, serving the DPRK grid. …why does the
DPRK want nuclear power? And, why is it now pursuing smaller reactors? To answer
the first query, we must delve into some obscure history. Starting in the 1980s, if not
before, the DPRK’s domestic nuclear power program had the stated goal of using the
DPRK’s uranium resource as a source of energy to augment its existing (mostly) coal
and hydroelectric power plant fleet. Of course, production of fissile material for
nuclear weapons (ultimately accomplished with their domestically-built 5 MWe-
equivalent graphite-moderated reactor) was a subtext of the nuclear power
development program, but the DPRK also, like dozens of other countries, wished to be
a member of the nuclear energy club, as a badge of technological mastery and
development status. Once established, that goal became a point of national pride. To
this end, the DPRK contracted with the former Soviet Union to build two reactors at
what later became the Sinpo site on the DPRK’s eastern coast. This deal stalled over
payment for the reactors, and was never completed, but the DPRK clearly linked its
joining of the Nuclear Non Proliferation Treaty (under Soviet pressure at American
behest) with gaining nuclear power plants. The Soviet reactors became moot when the
Soviet Union collapsed. A new discussion ensued in 1991 of light water reactors in the
DPRK—first in the joint ROK-DPRK nuclear talks in 1992, and then as part of the US-
DPRK talks over the discrepancies in its declaration of nuclear facilities to the IAEA as
to how much plutonium it produced and separated. Thus, when as a part of the US-
DPRK 1994 Agreed Framework, the DPRK agreed to give up its plans for a
domestically-built graphite moderated reactor that would produce more plutonium, it
was with the understanding that the DPRK would receive two modern, large (1000
MWe) LWR units, to be built at Simpo in the DPRK under the auspices of the multi-
nation Korean Peninsula Energy Development Organization (KEDO), a consortium led
by the United States. At that point, the KEDO reactors, or their equivalent, became the
benchmark for energy assistance, and all the more so because they had been blessed
by Kim Il Sung, founding father of the DPRK, in his meeting with President Jimmy
Carter in July 1994, just before he died. Also buried in this history lies an important
and largely unknown factor that explains why the North Koreans aren’t trying to build a large LWR like those that were partly built at KEDO between 1996 and 2002, but instead, is now striving to build a small LWR. First, the KEDO-DPRK plan for two (or even one) 1000 MWe units ignored one very big problem: these LWRs couldn’t be used on the existing DPRK electricity transmission and distribution (T&D) grid, even in 1994. By 1994 the DPRK grid was already in poor condition, using substations, switchgear, and control equipment equivalent to 1950s or 60s-vintage equipment in the West, with decisions on which plants should operate when communicated by telephone and telex, rather than computerized control equipment, and subject to frequent failures. Operating a 1000 MWe LWR would have been (and still is) impossible, in part because the grid is sufficiently unstable that the LWR would be shutting down regularly, requiring lengthy restarts and risking damage to the plant, but also because the DPRK power system, even if it were functioning perfectly, is simply too small, in terms of generating capacity, to allow the safe operation of a nuclear plant as large as 1000 MWe. Only with two large electrical interties to much larger grid systems—for example, two interties to the ROK grid, or one each to the Russian and ROK grids—would the KEDO nuclear plants at Simpo have been able to operate safely. Indeed, it has long been our assumption that had the KEDO plants been completed, they would have been operated by connecting them directly to the ROK (not DPRK) grid, whereby the DPRK would sell the power from the reactors to the ROK, using the proceeds to pay off the loan for the capital cost of the reactors, then re-importing smaller amounts of power from the ROK grid via different, smaller, and differently configured, transmission connections. Why did the North Koreans ask for a large LWR if they couldn’t run it on their grid? In fact, they didn’t. A senior DPRK power engineer told us that knowing full well that the DPRK faced a grid constraint on the size of reactor (and had briefed their uppers on this technical reality) that what the DPRK actually asked for in 1994 were units of 400 MWe, but those were only made in Russia, and when the ROK and United States wouldn’t agree to supply Russian-made units, the DPRK political delegation negotiating the US-DPRK Agreed Framework agreed to accept the larger units along with heavy fuel oil. Those negotiators on the US-ROK side who understood the problem of using large units in the DPRK grid either assumed that the DPRK T&D system would be “fixed” by the time (10 or more years) the KEDO reactors came on line, or that it was the DPRK’s problem to solve, especially given that they had offered coal-fired power plants to the DPRK instead of reactors, and had this reasonable proposal rejected. Today, the DPRK runs a fragmented grid that we estimate has average total nationwide generation on the order of only 2000 MWe. Its national electricity consumption, after accounting for losses, is about the same as that of the US states of Delaware or New Hampshire, but is used by a population 40 to 50 times larger. On such a grid, smaller LWRs make sense from a technical point of view. Smaller reactors could be deployed near demand centers, supported by nearby large (by DPRK standards) hydro or coal-fired power plants, reducing transmission and distribution losses, and accommodating the reality of a fragmented grid. Also, from a practical point of view, the DPRK cannot hope to be able to complete a large LWR without considerable outside help. At this point, in fact some key components of large LWRs, such as castings for containment vessels, can be made in only a few places in the world. The DPRK could not hope to develop the technologies for modern LWRs in
a reasonable time frame (say, less than 20 years) without considerable outside assistance. The DPRK can, however, almost certainly build a pilot 25 MWe LWR, albeit of unknown safety, using crude electro-mechanical systems rather than modern LWR control technologies and materials. Our guess is that a crash job could be done in 2-3 years, depending on how much of a start they have on the task as of today. How well, long, or safely such a reactor would operate are certainly worthwhile questions, particularly for those nations (starting with Japan) likely to be downwind from the reactor site. We surmise that the DPRK aims to design, construct, and turn on the plant by 2012 as part of its centennial celebration. Kim Jong Il has promised North Koreans a “strong and prosperous nation” by 2012, and exhorts the people to work toward that goal. By any standard measure of human progress, that goal looks unachievable, but having a LWR well under development (if not operating) would be an important national symbol for leaders to point to as a totem of national strength, as well as being an accomplishment to help cement the national credibility of the new leader, both with the populace as a whole and with the DPRK military. In addition to the grid and other technical factors, from a geopolitical perspective, there are at least two additional possible reasons for the DPRK to pursue domestic small LWR development. First, the domestic enrichment program needed to fuel small LWRs offers the DPRK a potential slow-but-steady second track to nuclear weapons using HEU (what is feared to be the Iran model), while maintaining possession of their existing plutonium stockpiles/plutonium nuclear devices to support their bargaining position. Second, the development of a small domestic LWR is a negotiating ploy, though an expensive one, that will be used by the DPRK as another route to a reactor on DPRK soil, a “KEDO-LWRs Mark 2,” only this time on DPRK terms, rather than on international terms. The DPRK would likely see the enrichment-to-HEU option as a fallback position, available if acquisition of a small LWR fails and it remains in contention with the international community over its nuclear program rather than deeply engaged.” (David von Hippel and Peter Hayes, “Engaging the DPRK Enrichment and Small LWR Program: What Would It Take?” Nautilus Institute Special Report, December 23, 2010)
came on the heels of a visit to Beijing by American officials, led by Deputy Secretary of State James B. Steinberg. A week before that, President Obama called Hu and bluntly urged him to put a tighter leash on the North Korean leader, Kim Jong-il. China swiftly dispatched a senior diplomat to Pyongyang, the North Korean capital, and officials said he conveyed a strong message about “the unacceptability of attacks and killings of South Koreans,” said a senior American official, who spoke on condition of anonymity in order to discuss sensitive diplomatic matters. “The idea that there could be these one-off provocations without expectation of a military response, as the North had behaved in the past, the Chinese now understand that this is no longer the reality, no longer acceptable,” he said. Administration officials played down Richardson’s trip, saying he was carrying no proposals from the United States. Shipping fuel rods to South Korea is not a new idea, one official noted, and the South Korean president, Lee Myung-bak, seems in no mood to accept it. North Korea has also done little to alleviate concerns about its recently disclosed uranium-enrichment facility, aside from its offer to Richardson to allow nuclear inspectors back into the country. Nevertheless, Steinberg and Jeffrey A. Bader, a top White House adviser on Asia, are likely to visit Seoul soon to explore whether the temporary lull in North Korea’s aggression creates an opening for diplomacy. If the North makes amends for the shelling last month of Yeonpyeong Island and the torpedoing of the South Korea warship, the Cheonan, which killed 46 sailors, officials said it could open the door to contacts between the United States and North Korea. But they were vague about what kind of gesture would be sufficient. “The South needs to have satisfaction that their concerns over these acts have been addressed,” an official said. “The North cannot go around the South; they cannot sidestep the South.” (Mark Landler, “China’s North Korea Shift Helps Relations with U.S.,” New York Times, December 24, 2010, p. A-10)

Despite sanctions and trade embargoes, over the past decade the United States government has granted special licenses allowing American companies to do billions of dollars in business with Iran and other countries blacklisted as state sponsors of terrorism. In some cases, licensing rules failed to keep pace with changing diplomatic circumstances. For instance, American companies were able to import cheap blouses and raw material for steel from North Korea because restrictions loosened when that government promised to renounce its nuclear weapons program and were not recalibrated after the agreement fell apart. (Jo Becker, “With U.S. Leave, Companies Skirt Iran Sanctions,” New York Times, December 24, 2010, p. A-1)

The Lee Myung-bak administration is under fire for its “submissive” diplomacy with China over the release of three Chinese fishermen who attacked South Korean coastguards during a fatal clash between a fishing boat and a patrol ship in the West Sea earlier this month. The fishermen were freed and returned home today without punishment. Earlier, Seoul vowed to deal sternly with the men accused of having attacked coastguards with iron pipes, clubs and shovels, injuring four of them. The incident occurred off the western coast as the Coastguard tried to prevent Chinese boats from fishing illegally in Korean waters. Another Chinese trawler intentionally rammed the patrol vessel to allow other fishing boats to sail back into international waters — but the boat sank after the impact. One fisherman died in the clash. “We decided not to indict the Chinese crew as they were not actively involved in the crime
at the time,” a Seoul official was quoted by Yonhap News Agency as saying. “They also fully cooperated in our investigation.” Some coastguards denounced the release of the fishermen. “I could understand that the government freed the fishermen in order not to stir up a diplomatic row,” a coastguard said, asking not to be named. “But we are worried that we will not be able to crack down on illegal fishing activities by Chinese fishermen effectively as the release could set a bad precedent.” Another coastguard official said, “The government should have dealt with this case strictly in accordance with the law.” (Jung Sung-ki, “Seoul Hit for ‘Submissive’ Diplomacy,” Korea Times, December 26, 2010)

The government is to start fully fledged preparations for reunification with North Korea next year, in a signal shift from the traditional emphasis on stability and cross-border exchanges to a more aggressive vision for the future. A senior official on Sunday said the Unification Ministry will brief President Lee Myung-bak on on December 29 on its objectives for next year, which will be focused on preparations for reunification. Following North Korea’s artillery attack on Yeonpyeong Island, Lee has made a series of comments hinting at signs that North Korean regime is cracking. At a meeting with Korean residents in Malaysia on December 9, Lee said, “I feel reunification is now not far off” and called it an “important change that nobody can stop.” And in a speech at a government meeting on Dec. 3 he said, “No power in history has been able to resist the changes sought by the public." Another government official said, “The focus of next year’s North Korea policy has shifted to bolstering our capacity to handle reunification rather than on communicating with the North.” He said there are efforts to map out measures “that can bring about changes among the North Korean people.” The ministry also plans to brief Lee on suggestions for funding reunification and gaining the support and cooperation of South Korea’s allies and neighboring countries. This marks a U-turn in North Korea policy, given that Unification Minister Hyun In-taek only told Lee in his New Year’s briefing early this year that an inter-Korean summit could be possible in 2010. (Chosun Ilbo, “N Korea Policy to Shift from Engagement to Reunification,” December 27, 2010)

“South Korea’s Yonphyong Island shelling exercise on December 20 is a grave infringement upon the dignity and sovereignty of the DPRK. This provocation is aimed at ‘defending the illegal northern limit line,’” Rodong Sinmun observes in a bylined article: The puppet military warmongers chose Yonphyong Island among many islands of south Korea. This reveals the provocative nature of the exercises. South Korea tries to get the illegal ‘northern limit line’ recognized. But this is intolerable as it sparks off confrontation and conflict and strains the tension between the north and the south. …The recent shelling did not spill over to an all-out war entirely thanks to the maximum patience and restraint exerted by the DPRK for peace and detente on the peninsula. The warmongers should not misjudge the patience of the DPRK. The DPRK will as ever put under control the U.S. and the south Korean warmongers’ act against peace with the powerful self-defensive measure.” (KCNA, “Rodong Sinmun: Yonphyong Shelling Exercise Is Another Provocation,” December 26, 2010)

Warning its patience is running out, North Korea praised itself over its decision not to react to a high-stakes South Korean live-fire drill that had taken place near the
countries’ volatile Yellow Sea border December 20. "Armed clashes have not occurred in the Yellow Sea of Korea despite the dangerous collusion between the U.S. and South Korean war-like forces," Rodong Sinmun said in a commentary. "This is entirely thanks to the pluck, the self-restraint and steadfast will of the DPRK to preserve peace. But there is a limit to its patience, too," said the commentary, carried by KCNA. "It was none other than the U.S. that egged those forces on to spark off the above-said shelling incident and escalate the tension on the Korean Peninsula," Rodong Sinmun said, reiterating the North’s claim that the South provoked the North first on November 23. "The puppet regime of South Korea is so despicable and coward that it cannot maintain its power even a moment without the protection of its American master," it said. "Its desperate efforts to do harm to the DPRK in reliance on this master would only precipitate its self-destruction." (Sam Kim, “N. Korea Boasts, Restraint, Warns Its Is Running out of Patience,” Yonhap, December 27, 2010)

Britain said that North Korea bent its own rules this week and aired a Western-made film on its state television. British Ambassador to South Korea Martin Uden posted a message on his Twitter account December 30 that the movie, "Bend It Like Beckham" was broadcast on the 26th, the first Western-made film to air in the North. During the film, a message was aired saying that it was being shown to mark the 10th anniversary of the establishment of diplomatic ties between North Korea and Britain. Uden said the broadcast had been arranged by the British embassy. (Chosun Ilbo, “N. Korea Airs First Western Film on TV,” January 2, 2011)

12/27/10 Rodong Sinmun signed article: “The U.S. and south Korean trigger-happy elements should not misjudge the will of the DPRK to preserve peace but immediately stop their reckless military provocations aimed at screwing up the tension on the Korean Peninsula. …The south Korean conservative authorities seek a way out of their ever-deepening ruling crisis in boosting cooperation with the U.S. and escalating the confrontation with fellow countrymen. They consider this as leverage for getting rid of the crisis and confusion and staying in power. They orchestrated the Yonphyong Island shelling incident to achieve this purpose. By perpetrating military provocations one after another in the West Sea of Korea the south Korean puppet forces sought to divert elsewhere the south Korean people’s attention and realize their wild ambition to invade the DPRK. It was none other than the U.S. that egged those forces on to spark off the above-said shelling incident and escalate the tension on the Korean peninsula. The U.S. is keen on increasing the tension on the peninsula, opposed to any process to preserve peace on it. This is designed to save its policy towards Asia and its strategy towards the DPRK from their repeated failures and retain its supremacy over the region. Armed clashes have not occurred in the West Sea of Korea despite the dangerous collusion between the U.S. and south Korean war-like forces aimed at provoking a war of aggression against the DPRK. This is entirely thanks to the pluck, the self-restraint and steadfast will of the DPRK to preserve peace. But there is a limit to its patience, too.” (KCNA, “U.S.-S. Korea Urged to Immediately Discontinue Military Provocations,” December 27, 2010)

12/24-27/10 Korean and Russian officials have failed to determine the cause of failure in the second attempt to launch Korea’s space rocket Naro, making it unlikely that a third launch can take place any time soon. The Ministry of Science, Education and Technology said
Monday officials from both sides held a fourth round of meetings in Russia on December 24-27 but were unable to narrow their differences. Kim Sun-ok of the ministry said, "We pointed to the Russian-made mechanism that separates the first and second-stage boosters as the cause, but the Russians argued that there were problems with the automatic flight terminations system we manufactured, and we were unable to narrow our differences based on our own investigations." (Chosun Ilbo, "Korea, Russia at Odds over Rocket Launch Failure," February 1, 2011)

Lately, Seoul has shown signs of toning down things that North Korea must do to open up dialogue with the five other members of the six-party talks to end the North’s nuclear program. A diplomatic source said that IAEA inspectors could go to the North’s nuclear site to monitor the activities there, even though a nuclear program is in operation there. “There is a possibility that North Korea could stop the plutonium-based nuclear program, but that it could refuse to halt the enriched uranium-based one. If this occurs, it could be possible that the other five nations will agree to dispatch the IAEA inspectors to the North’s nuclear site to monitor the nuclear activity,” he said. The official’s remarks were considered as a “subtle change” from Seoul’s stand-firm stance on the strict conditions that the reclusive nation has to meet to open up dialogue. Earlier, a high-ranking government official told reporters that talks were unlikely to be held as long as the nuclear program in the North is in operation. “Let’s suppose that the IAEA inspectors are invited to the North’s nuclear site where its nuclear program is in operation. This will only have an amplifying effect on denuclearization as the North will send the message that it has such program, while showing no sign of abandoning it,” he said. Seoul’s subtle change in its stance on the conditions for the resumption of talks also coincided with media reports that the United States and China agreed that the next step should be dialogue between South and North Korea, rather than the resumption of the nuclear talks right away. Seoul was persistent that improvement in inter-Korean relations should come first before resuming the multilateral talks. (Kang Hyun-kyung. “Seoul Easing Conditions to Resume Nuclear Talks,” Korea Times, December 28, 2010) President Lee Myung-bak expressed hope December 28 that the North Korean nuclear issue will be settled next year under the six-nation disarmament framework, hinting at a change of strategy for the stalled talks, which he had described as being ineffective as long as the North remained out of control. He also called for the need to strengthen diplomacy with China and Russia, which had opposed Seoul’s move to seek international punishment for the North’s recent deadly attacks on South Korea, presidential aides said. The remarks were in stark contrast to the negative view he had previously had on the prospect of the multilateral negotiations. “It is not desirable to view the six-party talks as a duel between the U.S., South Korea and Japan, and China, Russia and North Korea,” Lee was quoted as saying by his spokeswoman Kim Hee-jung. “Such a dichotomous way of thinking is not helpful in cementing peace on the peninsula and achieving reunification of the two Koreas in the future.” A diplomatic source said it is the time for the South to reshape its diplomacy with the North’s traditional allies to prepare for a possible collapse of the military-controlled nation. At a separate policy briefing session by the Unification Ministry, Lee ruled out the possibility of “absorbing” North Korea, saying the reunification of the two Koreas should be achieved peacefully. The source said there has been active communication among the nations to move the denuclearization
process forward and deal with the inter-Korean tensions, but it doesn’t guarantee a
turnaround in inter-Korean relations. “Some positive changes may occur on the
peninsula in line with the revitalizing diplomacy among the concerned nations on the
nuclear problem,” he said on condition of anonymity. “However, the situation won’t
improve at all unless the North doesn’t change its behavior.” (Na Jeong-ju, “Lee
Softens Stance on Resuming 6-Way Talks,” Korea Times, December 29, 2010) Foreign
Minister Kim Sung-hwan echoed President Lee’s comments, explaining the
government has never and will not completely abandon dialogue with North Korea,
during a press briefing later in the day. He, however, emphasized Pyongyang has to
“take the right attitude” for talks to resume. “Dealing with the denuclearization issue
through the six-party talks is a consistent policy of the government. But dialogue
depsends on the attitude of all sides. I believe the president was speaking along the
same line,” he said. The minister also emphasized it was important for the five dialogue
partners, excluding North Korea, to come up with “coordinated conditions” for the
stalled negotiations to resume. “South Korea, the U.S. and Japan can easily reach an
agreement, but we also need to discuss this with China and Russia,” Kim said. (Shin
Hae-in and Song Sang-ho, “Seoul Hints at Talks with N.K., Stresses Preparing for Unity,”
Korea Herald, December 29, 2010)

The latest provocations from North Korea and the resulting rightward swing in South
Korean public opinion have transformed South Korean President Lee Myung-bak’s
strategy for dealing with the peninsula’s troublemaker. The old method: Act with
cautio. The new method: Get tough. Lee’s shift in thinking has prompted modest but
growing concern in the Obama administration, where officials worry that an overly
aggressive South Korea could become a liability in its own right. Political analysts in
Seoul and Washington predict that Lee will soon face pressure from the United States
to reengage diplomatically with the North. But Lee has turned increasingly hawkish in
recent weeks after taking criticism for Seoul’s weak initial counterattack to Pyongyang’s
Nov. 23 shelling of Yeonpyeong Island. “Fear of war is never helpful in preventing
war,” Lee said Monday in a radio address. “If we are firmly determined to brave any
risks, we can fend off any emerging threats.” In Seoul, policymakers have long debated
the best North Korea policy, finding downsides to every solution. Lee now faces
domestic pressure to remain firm and international pressure to reduce tension on the
peninsula. Of late Lee has given priority to the first of those demands. But with two
years left in his term, how he meets what one Western diplomat called the legacy-
defining challenge of “putting North Korea back into the box” will shape security in
South Korea, where the U.S. stations 28,500 troops. Lee recently overhauled the rules
of engagement, making it easier to respond with greater force against the North. He
also installed a new defense minister, Kim Kwan-jin, who called for additional airstrikes
if the North attacks again. Lee last week visited South Korean troops, telling them that
future aggressions from Pyongyang would require a “powerful counterattack.” Lee also
said his old beliefs were mistaken: “We thought we could keep this land peaceful with
tolerance,” Lee said, “but it was not true.” Though several U.S. officials defended
Seoul’s plans, Joint Chiefs of Staff Vice Chairman James Cartwright worried that the
artillery drills could set off a “chain reaction,” in which U.S. and South Korean forces
“lose control of the escalation.” And one day before the exercises, a pair of top U.S.
officials in Seoul - Ambassador Kathleen Stephens and Gen. Walter Sharp,
commander of U.S. forces in Korea - showed up at Lee’s presidential palace to meet with a Blue House adviser, seeking reassurance that the drill was necessary, according to a U.S. official familiar with the meeting who requested anonymity because of the sensitive nature of the talks. “Lee Myung-bak realized late in the game that he had to respond,” said Patrick Cronin at the Center for a New American Security. “And then the fear was that he might over-respond. ... That drill seemed excessively risky to some officials in the U.S.” Government officials in Seoul, though, now suggest that Lee’s tenure will be remembered most as a period of increased North Korean bellicosity. “South Koreans don’t feel safe anymore,” said Chung Dong-young, South Korea’s former unification minister and a current opposition party assembly member. “But after the Yeonpyeong incident, the balance of power has been shifted - rapidly - toward the right side,” becoming more hawkish, one key South Korean government official said. “So this is a huge damage toward North Korea’s [strategy]. So I think Yeonpyeong was a military and policy mistake by Pyongyang.” But in the next months, the Western diplomat said, U.S. officials will pressure Seoul to reopen dialogue with the North. “However,” said Wi Sung-lac, South Korea’s chief nuclear negotiator, “[Lee] has never ruled out the possibility of dialogue. He’s always left that open.” “Lee’s biggest pressure right now is satisfying his constituency now that the public has become more conservative,” said Hahm Sung-deuk, a presidential expert at Korea University. “Efforts to engage with the North might seem like betraying the public. We need some cool-down time in order to engage with the North again.” (Chico Harlan, “S. Korean President Hardens Stance,” Washington Post, December 29, 2010, p. A-6)

The Ministry of Unification said that its New Year plan will highlight three main policies – bring about fundamental change in North Korea, advocate human rights there and lay a meaningful foundation for unification. The ministry said in its briefing to President Lee Myung-bak that this will entail changing the North through denuclearization, opening the country up and improving the lives of North Koreans. It also put forth a “grand bargain” of providing economic assistance – together with the international community – if the North gives up its nuclear program. The ministry said that it will foremost “prioritize North Korean citizens.” In its defense white paper, South Korea specifically defined the North Korean regime and the military as an “enemy,” in a policy aimed to deal separately with the North Korean people. To that end, the government will seek to pass North Korean human rights legislation. It will also give support to private organizations that advocate the enhancement of human rights; run extensive research on conditions in North Korea; and support domestic and international groups. To prepare for unification that could happen abruptly, the ministry will come up with a detailed action plan to secure funding in the first half of 2011. It will also publicly debate the issue of unification, begin to train human resources; and revamp its support programs for North Korean defectors living in the South. (Kim Se-jeong and Kim Young-jin, “Seoul to Emphasize Human Rights in N. Korea,” Korea Times, December 29, 2010) The government seems to be sending out mixed messages regarding a perceived shift in its North Korea policy from engagement to preparations for reunification by hinting at the resumption of six-party talks. President Lee Myung-bak in a policy meeting on December 29 said the government should help people understand that “reunification is not far off and has many positive aspects for them.” In a briefing to the president, the Unification Ministry set three policy goals for 2011 --
persuading the North to change, seeking "proper" inter-Korean relations, and preparing for reunification. "To help the North seek desirable change, we need to find a new approach to targeting the North Korea people," a ministry spokesman said. "We should lay firm foundations for the peaceful reunification of the Korean Peninsula in the long term." The expression "preparations for reunification" has long been interpreted by both Koreas as meaning absorption of one Korea by the other. But apparently mindful of the risk of escalating tensions with that choice of words, the ministry also talked about "opening doors for dialogue" and added, "We are not seeking reunification by absorption." But the Foreign Ministry announced a plan to work for the resumption of inter-Korean talks. It said it will "seek resumption of the six-party talks" on the North's nuclear program, stressing cooperation among five participating countries other than the North, while naming "building an international consensus about peaceful reunification" as one of its policy goals for next year as well. Lee also said, "The North's nuclear program must be dismantled through the six-party talks. Seoul should play a major role in helping the North dismantle its nuclear program through inter-Korean dialogue." Yet when he met Chinese State Councillor Dai Bingguo after the North's shelling of Yeonpyeong Island last month, Lee said, "This is not the time to discuss resumption of the six-party talks." Presidential spokeswomen Kim Hee-jung claimed there was "no change in our basic position" that the North must demonstrate it is really willing to dismantle its nuclear program before the talks resume. (Chosun Ilbo, "Govt. Sends Mixed Messages about N. Korea Policy," December 30, 2010)

Former US defense chief William Perry said North Korea was capable of producing one nuclear bomb a year and that Washington should consider high-level talks to defuse tension, in an interview. Perry, who served as defense secretary under President Bill Clinton, told the Nikkei daily that the US government should review its policies towards North Korea and impose economic sanctions to reiterate its stance against Pyongyang's nuclear programs. Then, Washington should coordinate policies with Seoul and Tokyo before eventually sending a special envoy for direct talks with Pyongyang, Perry told the Nikkei. Perry suggested former secretary of state Madeleine Albright and former US senator Sam Nunn, an expert on nuclear arms reduction, as possible candidates for such talks, the Nikkei said. (AFP, "N. Korea's Nuke Bomb Capacity: Ex-U.S. Defense Chief," December 29, 2010)

The North Korean military, the world’s fourth-largest, has bolstered its special-forces units during the past two years and has deployed a new battle tank, called the Storm, while expanding its tank brigades, the South Korean Defense Ministry said on Thursday in its biennial white paper. The report said the North’s overall troop strength had remained the same since 2008, when the active-duty force was estimated at 1.1 million. With a population of 24 million, North Korea has by far the world’s largest military in per capita terms. In actual numbers of troops, only China, the United States and India are larger. The South Korean military has 688,000 troops, making it the sixth-largest over all, according to GlobalSecurity.org, a public policy organization focused on military and security issues. Some 28,500 American troops are also based in South Korea. Defense officials in Seoul said today that the North had steadily upgraded its capabilities in asymmetric warfare and was better able to strike the South in
unconventional and unpredictable ways. A rise in special-operations troops, to 200,000 from 180,000, was indicative of that shift in strategy. The white paper said the North’s new battle tank, the Pokpung, was apparently based on former Soviet and Russian models. It was estimated that the North now had 4,100 tanks in service, up from 3,900 in 2008. A much-studied facet of each defense white paper is the South’s description of North Korea. “North Korea is our enemy,” a defense official said Thursday, repeating the language of the new report. Not using the expression ‘main enemy’ does not mean that we have softened our stance,” Deputy Defense Minister Chang Kwang-il told reporters. On December 30, Russia urged both Koreas to return to six-nation talks in order to reduce tension on the Korean Peninsula. “It is imperative to stop military activity,” Deputy Foreign Minister Alexei Borodavkin said, according to the Reuters news service, “and move from muscle flexing to dialogue between the North and South.” (Mark McDonald, “N. Korea Boosts Tanks and Special Forces, South Says,” New York Times, December 30, 2010)

“Confrontation between north and south should be defused as early as possible,” the North said in the editorial jointly released by Rodong Sinmun, Joson Inmingun and Chongnyon Jonwi. “If a war breaks out on this land, it will bring nothing but a nuclear holocaust,” it said, arguing that war was averted last year because of “our persevering efforts” and calling for the creation of “an atmosphere of dialogue and cooperation” this year. “The DPRK is consistent in its stand and will to achieve peace in Northeast Asia and denuclearization of the whole of the Korean peninsula,” the North’s joint editorial said. Stressing that light industries are the “major front,” the North said standards of living for its people should be improved ahead of 2012, the year the leadership has designated as a moment in its history to rise as “a great, prosperous and powerful country.” “Next year we will be greeting the centenary of the birth of President Kim Il-sung,” the country’s founder who passed his power to his son Kim Jong-il upon his death in 1994, the editorial said. “We should launch an all-out, vigorous offensive for a breakthrough to realize the wish of the President to build a prosperous country,” it said, calling for a “full-scale offensive” to revive the moribund economy. “Improving the economic management becomes more urgent at the moment, when the national economy is put on the trajectory of revitalization,” the editorial said, calling for a boost in the production of “primary consumer goods and other necessities widely used in life.” It said, “The sector of light industry should turn out commodities that would be favored by people.” (Sam Kim, “N. Korea Calls for Ending Tension with S. Korea, Reviving Economy,” Yonhap, January 1, 2011)