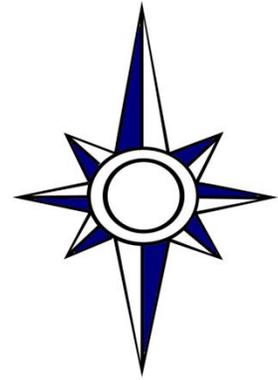


# Comparative Connections

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## South Korea-North Korea Relations: Not Getting Better

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The first four months of 2011 saw no real improvement in relations between the two Koreas. Their sole official contact, military talks in February, broke up in acrimony after two days. A slight easing of South Korea's aid restrictions in April was in response to dire humanitarian need in the North, and probably does not indicate a wider thaw. As often there was the odd hint of back-channel talks, even about a possible summit – but no suggestion of progress. The obstacles are familiar. Pyongyang's peace offensive as the year began, with a barrage of offers of seemingly unconditional talks, did not impress Seoul as it failed to deal with what remain two huge stumbling-blocks: the sinking of the corvette *Cheonan* on March, 26, 2010, and the shelling of Yeonpyeong Island on Nov. 23. The North continues to deny all responsibility for the former, and to insist it was provoked into the latter. In a democracy, and having taken much flak over both incidents, there is no way that ROK President Lee Myung-bak could afford to let either matter go – even if he was so minded, which he manifestly is not. It may be no easier for Kim Jong Il to back down either, in the midst of crafting a delicate succession for his untried third son Kim Jong Un. This appears a recipe for stalemate, perhaps for the rest of Lee's presidency, which ends in February 2013 – although in Korea surprises are always possible.

### More provocations?

If a single assault could conceivably have been a rogue one-off act, a second one suggests a campaign. Besides the difficulty of settling accounts with the recent past, last year's twin attacks have heightened Southern vigilance against further provocations. Explicit and repeated Northern threats to shoot at the Imjingak pavilion in the Western sector of the Demilitarized Zone (DMZ), from which defector activists and their supporters regularly launch balloons carrying anti-Kim propaganda, radios, and so on into the North, cannot now be dismissed as bombast. Hopefully the North is sufficiently attuned to Southern political niceties to realize that any further act of aggression would be third time unlucky; it would be bound to bring military retaliation since President Lee cannot afford to look weak again. Such reaction could easily escalate, with unpredictable or unthinkable consequences.

While perverse and reprehensible, Pyongyang's provocations tend to be carefully calculated and calibrated. One must hope the Kims now reckon they have made whatever point they were striving for, and that Kim Jong Un's succession will not require further acts of bravado. Or perhaps the North has simply switched tactics. In March, and again in April, South Korea experienced serious cyber-attacks. Southern investigators have fingered North Korea in both cases, as well as for jamming GPS signals during US-ROK military exercises. Though it is all but impossible to trace responsibility definitively in such cases, North Korea is known to have

been building up its cyber-warfare capabilities. Their deniability makes sneak attacks of this sort much less risky for the perpetrator, and perhaps no less destructive in their way, than old-fashioned overt acts of aggression such as sinking a ship or shelling an island. If the North is indeed behind the cyber-attacks on South Korea, this hardly suggests any serious will for peace or dialogue – other than on the only terms Pyongyang seems able to project, where the subtext is: you'd really better talk to us, or else you'll regret it.

### **Ambiguous talk of peace**

2011 began with both Korean states making noises about peace, but in ways that hardly suggested they meant it. North Korea's usual joint New Year editorial of three major daily newspapers – those of the party (*Rodong Sinmun*), military (*Joson Inmingun*), and youth organization (*Chongnyon Jonwi*) – included some encouraging sentiments, “Confrontation between north and south should be defused as early as possible ... Dialogue and cooperation should be promoted proactively. Active efforts should be made to create an atmosphere of dialogue and cooperation between north and south by placing the common interests of the nation above anything else. Free travel of and exchanges between people from all walks of life should be ensured and cooperation projects encouraged, to contribute to improving inter-Korean relations and to achieving reunification.”

Yet the adjacent paragraphs exhibited a tone and content sharply at odds with this: “Last year the south Korean conservative authorities revealed their true colours as the minion of war and anti-reunification, confrontation maniac. In collaboration with the outside forces they incessantly hatched anti-DPRK plots and perpetrated north-targeted war moves ... The entire nation should never tolerate the criminal moves of pro-US war hawks who stake their fate on foreign forces and drive the situation to the brink of war in collusion with them.”

Seoul showed a similar inconsistency, if in less colorful language. In his New Year address on Jan. 3, President Lee said, “I remind the North that the path toward peace is yet open. The door for dialogue is still open.” Yet, he at once added a condition: “Nuclear weapons and military adventurism must be discarded.” Opposing adventurism is unexceptionable. Obviously, South Korea has every right to insist on no more attacks by the North, like the two it experienced last year. But denuclearization? That can only be the end-point of a very long road, wearily trodden for the past 20 years. To posit it as a precondition for talks seems wholly unrealistic. Yet this has been Lee's constant refrain since he took office in 2008.

Lee continued, “From now on, we need ... peace and reunification policies based on solid national security ... [and to] make endeavours to engage our North Korean brethren in the long journey toward freedom and prosperity.” Whom was he addressing here? Surely these “brethren” are not the DPRK government but the North Korean people. This suggests that Lee has given up on Kim Jong Il, and in effect is awaiting – or fomenting? – regime change.

Similarly, as noted our last report, on Dec. 9 Lee had been in messianic mode. Saying “I feel that reunification is drawing near,” he added that Seoul has a responsibility to achieve reunification as soon as possible, so that 23 million North Korean people may live with the right to happiness. This message will not be lost on Pyongyang, but one wonders what Seoul seeks to achieve with

such talk. If the Kim regime reads this as confirming that Lee Myung-bak wants them gone, and that he has no serious will to engage them on any terms they could accept, they may conclude that they have little to lose from continuing to harry him. Having given Lee two nasty bites last year and got away with it, why not do it again?

Yet as so often, the North abruptly changed tack. On Jan. 5 a joint meeting of the DPRK government, political parties and organizations – these were not further specified – declared that “We are ready to meet anyone, anytime, and anywhere ... We propose discontinuing to heap slanders and calumnies on each other and refraining from any act of provoking each other... We courteously propose having wide-ranging dialogue and negotiations with the political parties and organisations of south Korea, including its authorities.”

Sweet words, but Seoul smelled a rat. Putting matters thus posits the ROK government as just one interlocutor among many; a longstanding trope in the North’s tactics to delegitimize South Korea. Even though a few sentences later the North called for “an unconditional and early opening of talks between the authorities having real power and responsibility, in particular,” one can understand the South’s tepid response. Vice Unification Minister Um Jong-sik commented, “In both format and content, I believe it is difficult to see [the DPRK statement] as a formal proposal for talks.” He called instead for a “respectful attitude ... For dialogue to take place, it must be guaranteed that it can be constructive and beneficial.”

### **Military talks break down**

“Guaranteed” is asking a lot. But it is right to demand that the North stop playing games and approach the South properly, government to government. This it finally did on Jan. 20. In a telegram to the recently appointed ROK Defense Minister Kim Kwan-jin, his DPRK counterpart Kim Yong-chun proposed military talks to exchange views on both the *Cheonan* and Yeonpyeong incidents, and discuss reducing tensions on the peninsula more generally. By then Seoul was at risk of appearing the obstinate one if it kept turning down Pyongyang’s advances. This one finally passed muster; the South accepted with rare alacrity the same day.

Colonel-level talks were duly held at Panmunjom on Feb. 8-9. The two interlocutors – Ri Son Kwon for the Korean People’s Army (KPA) and Moon Sang-gyun for the ROK – know each other well from previous encounters. This meeting was intended to prepare the ground for higher-level military talks later, perhaps between generals or even ministers of defense. It began promisingly, lasting for nine hours on the first day, which suggests a real effort to resolve problems. But on the second day they met for only an hour before lunch – and just 12 minutes thereafter, before the North stormed out. Vitriolic denunciations of the South for insincerity and treachery swiftly followed in the Pyongyang media.

It was always going to be very difficult to find an agreed formula to discuss, or get past, the *Cheonan* and Yeonpyeong incidents. Carefully parsing Pyongyang’s plethora of seemingly no-strings offers of dialogue, Seoul had decided that both the forum itself and the terms used by the North in suggesting military talks offered some hope of progress. But it was not to be. Specific sticking points, it appears, included niceties of language in specifying the agenda, as well as disagreement about the date and appropriate rank for the higher-level talks to follow.

Three months later there has been no effort to resurrect military talks. In collateral damage, so to say, their failure also put paid to hopes of fresh Red Cross dialogue to arrange a further round of family reunions. Elderly Koreans on both sides of the DMZ will thus continue to die without ever seeing again relatives from whom they have been separated for almost 60 years.

### **A boat people saga: most go home, finally**

Three days before the military talks, a separate saga began which in the end would prove more prolonged, just as fraught, but ultimately soluble up to a point. On Feb. 5 a very small fishing boat with 31 North Koreans aboard – 20 of them women, oddly – appeared out of the fog near Yeonpyeong – the Southern island near the Northern coast shelled last November. It seems they drifted across the sea border due to engine trouble. That is not rare, and normally the South, unlike the North, swiftly repatriates such people. This time it delayed, citing the need to question them all. The Seoul press reckoned that the real reason was to play hardball.

On Feb. 27, South Korea said the group would be sent home in a few days – only to add on March 3 that four now wished to defect. A predictably furious North demanded that all 31 be returned. On March 4, the other 27 were brought to Panmunjom, but the North refused to take them. Pyongyang then proposed Red Cross talks, with the would-be defectors and their Northern relatives also on hand. The South agreed to talks, but without such family presence and pressure; the North rejected this. On March 15, the North finally agreed to accept just the 27, but by sea rather than land. This and bad weather caused further delay; even with a new engine, their decrepit 5-ton boat was not seaworthy. Finally on March 27, the 27 in their boat were handed over at the Northern Limit Line (NLL), the contentious maritime border. North Korea continues to demand that the other four be returned too, claiming they are captives.

### **Cyber-war?**

A sense of relief that as of early May North Korea has not so far carried out further attacks on the South, like its twin assaults last year, may be premature – or at any rate needs to be qualified. In March and April, South Korea suffered two separate cyber-assaults, and it is blaming them both on the North. The first resembled an earlier attack in July 2009, when a distributed denial of service (DDoS) attack paralyzed 21 websites in South Korea (both state and private) as well as 14 elsewhere, including in the US. Some 115,000 computers in South Korea were affected then, with 396 hard drives destroyed. The National Intelligence Service (NIS) later claimed to have traced this to the DPRK Ministry of Posts and Telecommunications (MPT), and said that 435 servers in 61 different countries were used to spread the virus.

During March 3-5, a fresh DDoS attack hit some 40 websites in South Korea, again a mix of public and private. Those targeted included the NIS, the Blue House (presidential office) and Ministry of National Defense (MND), US forces in Korea (USFK), major banks such as Kookmin, Woori, and Shinhan, and two leading internet portals, Naver and Daum. This was technically similar to the 2009 episode, but more sophisticated. Three different viruses were spread this time, affecting all *Windows* operating systems rather than just three as in 2009. The file composition changed with each attack, and user attempts to access anti-virus sites were

blocked. Although 746 servers in 70 countries were used, less damage was done this time because lessons had been learned from 2009 and defenses were installed: still, over 100,000 computers were affected and 219 hard drives destroyed. On April 6, the ROK National Police Agency (NPA)'s Cyber Terror Response Center said that this latest attack had been traced to the same internet protocol (IP) addresses in China that were used in July 2009.

Six days later on April 12, the National Agricultural Cooperative Federation (Nonghyup), a major bank, had its computer systems crippled. Holders of 30 million accounts were unable to access them for several days, with some transaction data irretrievably lost. At first this was seen as a technical failure or an inside job by a disgruntled employee. But on May 3, prosecutors again blamed North Korea, saying this too was a cyber-attack – of a new kind. The claim is that a notebook computer owned by a worker at the firm managing Nonghyup's servers was infected with malicious code by North Korea's General Reconnaissance Bureau in September 2010. Once the code was remotely activated, the program wiped out Nonghyup's operating system, and did in fact knock out 273 of the bank's 587 servers in three attacks. It has since been discovered that a further 200 South Korean computers are similarly infected.

There could well be more such 'zombie' computers as yet unknown, raising alarm that the North could strike anywhere, any time. The Seoul press voiced fears that subway systems, ports and airports, or the power grid (including nuclear facilities) could be targeted. South Korea has demanded that the North cease such attacks. There is talk of referring all three incidents to the UN, but it will be difficult to adduce conclusive proof of responsibility. Not everyone is convinced even locally that North Korea was behind the Nonghyup attack.

### **Jam, too**

Separately, Seoul claims that on March 4 Pyongyang jammed its global positioning system (GPS) signals during the *Key Resolve* joint military exercises with the US near the western end of the DMZ. On March 8, the Foreign Ministry (MOFAT) threatened to report the DPRK to the International Telecommunication Union (ITU), which bans interference with another country's transmissions. A day later ROK Defense Minister Kim Kwan-jin told the National Assembly that the jamming came from not only Kaesong and Haeju in the west, but also Mt. Kumgang in the east of the peninsula. In the first US confirmation of this, on April 6 Gen. Walter Sharp, commander of USFK, told the House Armed Services Committee, "We have seen North Korea use GPS jammers." South Korea first detected such interference in 2010.

### **China has a plan**

Not infrequently, especially around Korea, diplomatic movements break the bilateral bounds which are *Comparative Connections*' chief remit and organizing principle. Such is the case currently on the nuclear issue. China has a plan, which involves a complex quadrille between four parties in two pairs and three stages. Our last issue accused Beijing of pulling a dead rabbit out of a hat, when it feebly called for an emergency session of the long-stalled Six-Party Talks (6PT) in response to sharp inter-Korean tensions after the Yeonpyeong shelling.

Maybe China took this critique to heart for this time they have conjured up something more subtle, even ingenious. Not a dead rabbit, but a bird that might just fly. Wu Dawei, China's point man on Korea, shuttled busily between Pyongyang, Seoul, and elsewhere this spring. What he has come up with is a phased process that could offer something for everyone.

Phase one would be nuclear talks between the two Koreas. That is something the South has long demanded, but the North has steadfastly refused; insisting that matters nuclear are not fit to be discussed with the puppets in Seoul but only with Washington, or at a pinch in the 6PT. This was not always Pyongyang's stance. In January 1992, in what turned out to be a false dawn of inter-Korean reconciliation, the two Koreas signed a Joint Declaration of the Denuclearization of the Korean Peninsula (available at <http://www.nti.org/db/china/engdocs/snkdenuc.htm> .) In May 2003, amid a fresh nuclear crisis, the DPRK stated that this agreement "has been nullified" – and blamed the US. (Pyongyang's habit of abrogating accords at whim, seen most recently with Hyundai, cannot but raise the question of its sincerity, or what value can really be put on any accord it purports to sign.)

Seoul would love to talk nukes with Pyongyang, even though the immediate threat it faces is from the KPA's torpedoes and artillery. But does it want this enough to swallow its demand for admissions and apologies for the *Cheonan* and Yeonpyeong before anything else? There is said to be debate about this within the Lee administration, with hardliners unwilling to let anything go forward absent an apology which will never come. Such a stance risks looking obstructionist, given the wider need to kickstart the 6PT. On April 16, US Secretary of State Hillary Clinton and ROK Foreign Minister Kim Sung-hwan reiterated two key points. Inter-Korean talks must precede resumption of 6PT, and the North must show real sincerity for denuclearization (One wonders what could count as proof of the latter.).

With rare optimism, on April 18 the usually skeptical and hard-line conservative Seoul daily *Chosun Ilbo* ran the headline "1st inter-Korean nuclear meeting 'likely.'" Based as so often on an anonymous official leak, this predicted:

N. Korea may accept a call for a meeting between the two Koreas' chief negotiators to the 6-party talks as early as this week, according to a senior government official. ROK official: The North "can't drag its feet indefinitely" after Wu Dawei proposed a 3-stage process to revive 6-party talks after a meeting with N. Korean chief negotiator Kim Kye-gwan.

Somebody jumped the gun here, for almost a month later there was no sign of such progress. Perhaps inter-Korean nuclear talks remain anathema to the North, whose capacity for foot-dragging should never be underestimated. To sweeten that pill, Wu Dawei offers a reward: his Phase Two is direct talks between Pyongyang and Washington, always Kim Jong Il's favored forum. The third phase would be the full 6PT, creaking back to life after over two years in abeyance and nearly eight years since this interminable process first got under way.

Many questions obviously arise: above all the willingness of all concerned (especially North Korea) to accept this – sincerely, as opposed to just playing along. The division of labor between the three phases will also need specifying. But anything is worth a try. We shall see.

## **What trade ban?**

If the political and security relationship between the two Koreas is almost unrelieved gloom currently, economic ties by contrast show light as well as shade. President Lee's supposed ban on inter-Korean trade, imposed a year ago (May 2010) as a reprisal for the *Cheonan*, has one very large exception – which makes a nonsense of it. The Kaesong Industrial Complex (KIC), the last North-South joint venture (JV), was exempted. Last year, this accounted for three-quarters of all North-South trade, to the tune of \$1.44 billion. As a result, total inter-Korean trade rose by 14 percent over 2009, reaching a record \$1.91 billion. Some ban.

These figures were compiled by the Korea International Trade Association (KITA), which represents ROK exporters. What interests KITA is competition with China, which is forging ahead. Sino-DPRK trade last year jumped 32 percent to \$3.46 billion: almost twice the ROK-DPRK total. Under the former “sunshine” policy South Korea was catching up; it had become the North's top export market, a little publicized fact. By 2007, total inter-Korean trade reached 91 percent of that with China; it would surely have overtaken it if that year's North-South summit accord, with its ambitious plans for expanded North-South economic cooperation, had been implemented. Instead President Lee backtracked on the summit agreement, insisting that Pyongyang denuclearize first. History will judge whether that was wise, but at all events, under Lee the ratio of inter-Korean to Sino-DPRK trade has fallen each year; to 65 percent in 2008, 64 percent in 2009 and 55 percent in 2010. KITA warned that the gap will widen further unless tension between the South and North is swiftly eased since economic cooperation between Pyongyang and Beijing is growing fast.

As reported, KITA rather oddly gave no breakdown into exports and imports. Those data can be found month by month at WTS, a Kyoto-based firm that tracks North Korea's trade (see <http://www.stat-trade.com/blog/stat/post/> ; the table is clearer if pasted into Word.) Against expectations that Seoul's trade ban would show up in the second half of 2010, in fact the dip was quite slight. ROK exports to the DPRK in July-December at \$427 million were hardly less than in January-June (\$439 million). In the other direction, Seoul's imports from Pyongyang fell slightly more, but not hugely, from \$553 million to \$491 million. More striking is the acceleration in Sino-DPRK trade as the year progressed, especially North Korean exports, which almost tripled from \$341 million in the first half to \$840 million in the second. Some of this trade may have been redirected away from South Korea, or be opportunity lost.

## **Non-KIC investors are tanking**

These aggregate figures hide important contrasts. For South Korean small- and medium-size enterprises (SMEs) in the KIC, last year's tensions were annoying but not fatal – though they remain anxious. But the few bolder ROK firms who invested elsewhere in the North, such as Nampo or Pyongyang, face a bleak future thanks to Seoul's trade ban, which for them is real and devastating. The head of one such company, Kim Jung-tae of Pyongyang Andong Hemp Textiles – the first 50-50 inter-Korean joint venture, long in preparation but launched only in October 2008 – said on March 6 that hundreds of Southern firms who did business in North Korea are close to bankruptcy. The far smaller number that have invested in the North – to the tune of \$180 million in total – have posted operating losses of \$150 million so far. MOU, the ROK

Unification Ministry, tallies no fewer than 860 Southern firms active in the North; most are small traders rather than investors. Last June, Kim Jung-tae formed a 200-strong business association to press for Seoul's ban to be eased, but has had no joy so far.

### **KoRes chafes too, for lost mines**

It is not only private firms that are affected. Korea Resources Corporation (KoReS), a South Korean parastatal, held a forum in Seoul to express its concerns on April 15 – Kim Il Sung's birthday, no doubt coincidentally. Kim Shin-jong, KoRes' president, complained that having invested in 10 Northern projects, he now cannot even ascertain their status, much less visit.

The most advanced of these was a \$10 million graphite mine near the DMZ, which had twice delivered supplies to the South – but none for over a year. In the same border province, South Hwanghae, KoRes also signed MOUs for coal mines at Ayang in Sinwon County and Pungchon in Yonan County, where the first joint drilling took place in October 2008. In the northeast, MOU was directly involved with three major mines in Tanchon, South Hamgyong Province – Komdok, Ryongyang, and Taehung – producing coal, zinc, lead, and the rare metal magnesite, used to line blast furnaces and found only in North Korea and China. By early 2008, the Tanchon project had had its third feasibility study, but it has since ground to a halt.

Three other mining JVs with the North involved Southern private capital. One was to supply the phosphate apatite, a key ingredient of fertilizer. The ROK imports all of its apatite, some from as far away as Nauru. Like KITA, the KoRes forum noted that the Lee administration curtailed cooperation with the North even before the *Cheonan* sinking – and warned that this creates openings for China. KoRes claims that annual Chinese imports of DPRK minerals have risen threefold in five years, from \$300 million in 2005 to \$900 million in 2010.

### **Hyundai is stripped of its tourist license, illegally**

On March 1, an official of the DPRK Committee of Investment and Joint Ventures (CIJV), a body apparently growing in clout, told *KCNA* that North Korea “encourages foreigners to [invest] in the country ... and neither nationalizes nor seize (sic) their invested properties.”

Hyundai knows different. The late Chung Ju-yung, northern-born founder of what used to vie with Samsung to be South Korea's largest *chaebol* (conglomerate), threw his millions into the “sunshine” policy; investing first in Mt. Kumgang, a famed beauty spot on the east coast just north of the DMZ, and later in the KIC which he did not live to see in operation (he died in 2001; it opened in 2003). Tours to Mt. Kumgang, first by boat and later by road across the once impenetrable DMZ, during their first decade (1998-2007) took 1.95 million Southern visitors (and a handful of foreigners) to this Northern enclave. Hyundai Asan, the subsidiary formed to handle Hyundai's Northern business, invested almost \$700 million at Mt. Kumgang. A greedy Pyongyang not only charged a stiff license fee, but also expected Hyundai to pay all construction costs for port facilities, hotels, amenities, and more.

That was then. Mt. Kumgang has now stood idle for nearly three years since July 2008. The South suspended tours after a middle-aged female tourist was shot dead there in mysterious

circumstances and the North refused entry to Southern investigators. Neither side has budged since and Hyundai is paying the price in lost revenues – and now stolen assets. In 2010, the North froze Hyundai's and other ROK-owned property at Mt. Kumgang. Exactly a year later on April 8, the DPRK Asia-Pacific Peace Committee (APPC) said it will rescind Hyundai's monopoly of Mt. Kumgang tourism, granted in 2002 and supposedly good for half a century until 2052. On April 29, over protests by both Hyundai and Seoul that this is illegal, the Supreme People's Assembly Presidium formally annulled Hyundai's rights. It decreed a new special zone for international tourism in the area, yet it is unclear what other operator or market can be found. (A Seoul magazine mentioned Kempinski, but the Thai-owned Swiss hotel chain is hardly likely to handle stolen property. China is an alternative as well as the only conceivable mass market, yet there is little at Kumgang to attract Chinese as opposed to Korean visitors.)

### **Seoul allows limited private aid**

Recent months have seen much debate on how bad North Korea's latest food crisis really is. (The [US] National Committee for North Korea [NCNK], a valuable and under-publicized resource on all things DPRK, has compiled a comprehensive collection of fact and opinion on this issue: (<http://www.ncnk.org/resources/news-items/DPRK-Humanitarian-Updates> .)

The UN deems the DPRK “highly vulnerable to a food crisis.” That was the verdict of a month-long Rapid Food Security Assessment Mission (RFSAM) conducted from mid-February to mid-March by three UN agencies: the Food and Agriculture Organization (FAO), World Food Program (WFP) and the UN Children's Fund (UNICEF). They noted that the Public Distribution System (PDS) provides a meager 381 grams – half what is needed – and will run out of food in May. In the lean season (May-July) over 6 million people “are in need of international food assistance.” (<http://home.wfp.org/stellent/groups/public/documents/ena/wfp233442.pdf> )

On April 29, WFP and UNICEF launched a one-year \$200 million emergency plan “to feed an estimated 3.5 million people in desperate need after crop losses and a particularly bitter winter.” It is unclear how this will be financed. UNICEF earlier reported that having sought \$10 million for its work in North Korea last year, in the end it only raised a fifth of this. Undaunted, it has launched a \$20 million appeal to fund work in five provinces with the worst malnutrition rates, targeting 165,000 pregnant or lactating women and 400,000 young children as the most vulnerable. For its part, WFP seeks to provide nearly 300,000 metric tons of grain plus 137,000 metric tons of fortified foods.

Humanitarian arguments aside, the former businessman Lee Myung-bak, who in December said he felt “that reunification is drawing near”, might be expected to show concern for the quality of human capital available to a future reunified Korea. (With as many as a third of the DPRK's children stunted, much damage has already been done.) Yet having cancelled the rice (500,000 tons) and fertilizer (300,000 tons) that South Korea used to send to the North each year, what mostly emanates from official Seoul these days is the skeptical sneering of the well-fed. Two such arguments are that Pyongyang in fact holds large grain stockpiles in case of war, which it could dip into, or that it wants to amass supplies so as to celebrate Kim Il Sung's centenary next year with a mighty feast, billed as a show of generosity by his son.

By April, for whatever reason, the ROK government had slightly relented and allowed a few NGOs to send aid to the North, albeit in quantities too small to make much difference. As of early May there were signs that official food aid may follow. For some it is already too late.

### **Foot and mouth: the South infects the North?**

In 2007 when North Korea was struck by foot and mouth disease (FMD), South Korea sent veterinarians and medical aid. Now the DPRK is stricken again, but the ROK is in no mood to help – even though it may well be the source, having struggled since last November to contain its own nationwide epidemic that has seen 3.47 million cattle and pigs slaughtered. FAO said on March 24 that North Korea urgently needs animal vaccine and other materiel, costing just \$1 million: small change to Seoul, as a more far-sighted government would have grasped.

### **Two birthdays are marked, but not yet a third**

All this proceeded against a backdrop of the usual high days and holy days that stud the first tetrameter of the year in North Korea. These already include two sacred birthdays, those of Kim Jong Il on Feb. 16 and his late father Kim Il Sung, North Korea's founding "great leader," on April 15. The latter, known locally as Sun's Day, was marked as usual by an arts festival – the 27th of its kind since 1982 – with musical and circus performances by artistes from China, Russia, Bulgaria, Belarus, France, and Germany. Earlier, Kim Jong Il enjoyed special birthday performances of ice skating and of synchronized swimming. In the latter, dozens of nymphets with red fans lined up in the pool to form the numbers 2.16. (This can be appreciated by all at <http://www.youtube.com/watch?v=UfijyBNMt58>, or at interminable length at <http://www.youtube.com/watch?v=Tvaxyawknjc> .)

There was also the usual festival of Kimjongilia – a begonia named in his honor by a Japanese botanist. In an especially harsh winter, scarce electricity went to heat greenhouses across the land – this is a competition: woe betide the work unit whose blooms are not up to par – for tens of thousands of these flowers. Naturally there is also a Kimilsungia flower, an orchid, with its own festival in April – but as yet no Kimjongunia. The "young general" too had his birthday in this season – on Jan. 8, when he probably turned 28. This is not yet a public holiday, as some had predicted. The North's *KCBS TV* aired an hour-long documentary about his achievements the next day, but that was all. Or not quite all. On Jan. 8 South Korean rogue hackers hijacked the DPRK website *Uriminzokkiri* as well as its *Twitter* and *YouTube* accounts, posting a cartoon that showed Kim Jong-un in a sports car running over hungry citizens before meeting his comeuppance. Subtle it is not. This can still be seen (in Korean, but the images suffice) at <http://www.youtube.com/watch?v=Fg5y-kpVtSE>

Another regular spring highlight is the annual session of what passes for a parliament in North Korea. The Supreme People's Assembly (SPA) duly met on April 7. As usual, a single day sufficed to hear an economic report, which gave almost no information, and to approve a budget with no hard numbers, only percentages. There were also two significant personnel changes. Ri Myong-su, a general and a key aide to Kim Jong Il, was appointed as minister of people's security. He replaces another general, Ju Sang Song, in post since 2004 but who on March 16 was unusually announced as dismissed by the National Defence Commission (NDC: the highest

executive body, outranking the Cabinet) due to illness. Only a month earlier Ju had received his visiting Chinese counterpart, so this may conceal a purging.

Also Jon Pyong Ho, who has long run the armaments industry, was removed from the NDC. He was supposedly transferred, but no new post was mentioned – and he is 84. His successor is Pak To Chun; a former chief Party secretary in Jagang Province on the Chinese border, where many arms factories are situated. At 65 Pak is young by Pyongyang elite standards.

Neither Kim Jong Il nor Kim Jong Un attended the SPA. The former often does not bother to turn up, though he did last year; big meetings reportedly bore him. Against some predictions, Kim Jong Un received no further promotions. Unusually, both father and son were reported as elsewhere – giving on-the-spot guidance in Jagang during April 6-8. Kim Jong Il's sister Kim Kyong Hui, since September a KPA general and a full Politburo member, as well as her powerful husband Jang Song Thaek who is a vice-chairman of the NDC, were also part of the party. The first family could hardly have snubbed their supposed legislature more openly.

### **Both Koreas snub Jimmy Carter**

Former US President Jimmy Carter's abortive visit to the two Koreas in late April belongs mainly under US-Korea relations. Here it is worth noting how firmly both Korean states rebuffed his good offices and those of the three distinguished European leaders who accompanied him on behalf of The Elders. They were Mary Robinson, one-time President of Ireland and UN High Commissioner for Human Rights; Gro Harlem Brundtland of Norway, a former head of the World Health Organisation (WHO); and Finland's Martti Ahtisaari, the 2008 Nobel Peace Prize laureate for his peace-making efforts in the Balkans and elsewhere.

This was a high-powered team and perhaps too much was expected of it. The hope was that the visitors might be able to kick-start currently stalled nuclear and inter-Korean dialogue. This would have required all concerned – above all, the two Koreas and the US – at some level to tacitly acknowledge the impasse. They could have used Carter and his colleagues to send messages, or at least serious signals, which might have served to put talks back on track; the precedent of course being Carter's famous first visit in 1994, which defused a nuclear crisis.

Kim Jong Il did not meet him then, nor last year when Carter returned to rescue an errant US Christian activist just as Kim headed for China. Now it was third time unlucky again. In fact North Korea's handling of the whole visit showed scant respect. *KCNA* mentioned only Carter, not naming any of his colleagues. Its reports on the visit were minimal, some only a single sentence. Carter himself, now 86 and mostly upbeat as ever, described a “surprisingly negative and confrontational” diatribe from Kim Yong Nam, himself 82 and now titular DPRK head of state, that went on so long that his guests missed their lunch. (Kim, then foreign minister, did the same to Carter in 1994.) More at [http://www.cartercenter.org/news/trip\\_reports/korean-peninsula-042211.html](http://www.cartercenter.org/news/trip_reports/korean-peninsula-042211.html)

South Korea was hardly more welcoming. President Lee did not make time to see the Elders, allegedly due to scheduling conflicts and despite their bearing an oral message, apparently from Kim Jong Il, offering unconditional talks. Carter caused anger with a sharp comment, made

twice, that for the ROK and US to refuse food aid is a human rights violation. Critics felt that this was one-sided, oversimplifying the real dilemmas and complexities involved in both food aid as such (e.g., diversion risks) and overall inter-Korean relations more broadly. In what may have been a Pyongyang olive branch – barely a twig, in truth – Carter conveyed the North’s “deep regret for the loss of life” in the *Cheonan* and Yeonpyeong incidents. But South Korea needs more than that. Foreign Minister Kim Sung-hwan said stiffly that the North should contact the South directly; there was no need to use foreign intermediaries.

### **A change of tack?**

Inter-Korean relations will not forever remain at their present impasse. Two years from now South Korea will have a new president, and there is every sign that he – or quite possibly she – will revert to a less hard line than Lee Myung-bak, even if the conservative ruling GNP retains power. Park Geun-hye, the front-runner, has in the past visited Pyongyang. Another likely GNP contender, current Seoul mayor Oh Se-hoon, on a visit to Harvard on April 19 criticized current ROK policy on the North as “somewhat rigid ... we need to have strategic flexibility” and called for a renewed engagement approach. Amen.

## **Chronology of North Korea-South Korea Relations January – April 2011**

**Jan. 1, 2011:** North Korea’s customary New Year’s editorial of three leading daily papers – those of the party (*Rodong Sinmun*), military (*Joson Inmingun*) and youth organization (*Chongnyon Jonwi*) – calls, among much else, for “relieving the state of confrontation” and the threat of war between North and South Korea.

**Jan. 1, 2011:** At the newer of its two websites, the official *Korean Central News Agency* (KCNA) now offers videos and a Japanese language section: <http://175.45.179.68/eng/>

**Jan. 2, 2011:** Citing UN data, the ROK’s Statistics Korea predicts that the urbanization gap between the two Korea will widen. The North was the more urbanized until the 1980s, but as of 2010 South Korea is 83 percent urban and rising, while the North is static at 60 percent.

**Jan. 3, 2011:** In his New Year’s address, broadcast live, ROK President Lee Myung-bak says: “I remind the North that the path toward peace is yet open. The door for dialogue is still open.” He adds that “nuclear weapons and military adventurism must be discarded,” and compares the Yeonpyeong shelling to the 9/11 attacks on the US.

**Jan. 4, 2011:** ROK Ministry of Unification (MOU) reports that 2010 was Kim Jong Il’s most active year ever since he took power in 1994, with 161 reported guidance visits (up from 159 in 2009). 63 of these were to economic sites and 38 to military ones.

**Jan. 5, 2011:** The *JoongAng Ilbo*, Seoul’s leading daily, says that Seoul will likely push for bilateral North-South dialogue before any attempt to reopen the Six-Party Talks.

**Jan. 5, 2011:** The Min Forum, a senior liberal group in Seoul, calls for inter-Korean talks. Moon Chung-in of Yonsei University describes the recent situation on the peninsula as “the worst since the Korean War.”

**Jan. 5, 2011:** A joint meeting of the DPRK government, political parties and organizations in Pyongyang calls for “wide-ranging dialogue and negotiations ... [and] an unconditional and early opening of talks between the authorities having real power and responsibility, in particular.

**Jan. 5, 2011:** *Rodong Sinmun*, daily paper of North Korea’s ruling Workers’ Party of Korea (WPK), attacks Seoul’s bid to highlight DPRK human rights abuses: “They are the arch criminals who turned ... south Korea into the worst tundra of democracy and human rights in the world ... There is no such human rights issue in the DPRK.”

**Jan. 5, 2011:** According to the South’s Statistics Korea, ROK gross national income (GNI) in 2009 at 837 billion was 37 times the DPRK’s \$22 billion.

**Jan. 7, 2011:** South Korea returns three North Korean fishermen via Panmunjom.

**Jan. 7, 2011:** ROK Vice Unification Minister Um Jong-sik dismisses the DPRK’s Jan. 5 overture, telling *KBS Radio*: “In both format and content, I believe it is difficult to see (the statement) as a formal proposal for talks.”

**Jan. 7, 2011:** An ROK government source says the North’s Korean People’s Army (KPA) recently lowered its alert level in the West (Yellow) Sea, which it raised on Nov. 21 two days before shelling Yeonpyeong

**Jan. 8, 2011:** The North’s Committee for the Peaceful Reunification of the Fatherland (CPRF) proposes “unconditional talks” between the two Korean governments

**Jan. 8, 2011:** On Kim Jong Un’s birthday the DPRK website *Uriminzokkiri* is knocked out, while its *Twitter* and *YouTube* accounts are hijacked and show material derogatory of Kim Jong Il and Kim Jong Un. South Korean (private) hackers gleefully claim responsibility.

**Jan. 9, 2011:** The North’s *Korea Central Broadcasting Station (KCBS)* airs an hour-long TV documentary on Kim Jong Un, a day after his birthday – which was not otherwise celebrated.

**Jan. 9, 2011:** Seoul reaffirms that any new inter-Korean talks must include the nuclear issue.

**Jan. 10, 2011:** Seoul proposes talks on the North’s Nov. 23 shelling of Yeonpyeong Island.

**Jan. 10, 2011:** The North’s Asia-Pacific Peace Committee (APPC), and the heads of its Red Cross and of the Consultative Office for North-South Economic Cooperation (CONSEC) in the KIC, each send letters to their Southern counterparts urging fresh talks on cooperation.

**Jan. 10, 2011:** MOU reports that North Korea has banned ROK pork, beef, and poultry from the KIC, due to rampant foot and mouth disease (FMD) and avian influenza in South Korea.

**Jan. 11, 2011:** *Minju Josen*, daily paper of the DPRK Cabinet, attacks Seoul for not agreeing to Pyongyang's proposal for unconditional talks. It repeats that the North is "ready to meet anyone anytime and anywhere from the standpoint of great national unity."

**Jan. 12, 2011:** Two more DPRK bodies – the General Guidance Bureau for Development of Scenic Spots (GGBDSS), which oversees the Mt. Kumgang resort; and the General Bureau for Central Guidance to the Development of the Special Zone of the DPRK (GBCGDSZ), which looks after the KIC – each send notices to their ROK counterparts proposing talks.

**Jan. 12, 2011:** The North reopens its Red Cross Office at Panmunjom in the Demilitarized Zone (DMZ). MOU notes that the North had unilaterally closed it in the first place.

**Jan. 13, 2011:** The ROK Communications Standards Commission (CSC) blocks access to all websites using the DPRK's domain name .kp, saying these contain "illegal information" under Seoul's anti-communism and security laws. Pyongyang has only recently begun using its national .kp suffix, years after it was first allocated. (South Korea's equivalent is .kr.)

**Jan. 15, 2011:** *KCNA* says the DPRK Cabinet has adopted a 10-year development plan, to be run by a new agency – the State General Bureau for Economic Development (SGBED). No further details of either are given, and as of May the SGBED has not been heard of since.

**Jan. 15, 2011:** Meeting his ROK counterpart Kim Sung-hwan in Seoul, Japan's Foreign Minister Maehara Seiji clarifies that inter-Korean dialogue should precede any resumption of talks between Pyongyang and Tokyo.

**Jan. 16, 2011:** *Rodong Sinmun* reiterates the North's call for dialogue: "No issue can be solved by way of confrontation. This is proved by the last three years of confrontation."

**Jan. 18, 2011:** Seoul sources say North Korea too is suffering from an FMD outbreak.

**Jan. 18, 2011:** The South's state-run Korea Institute of Defense Analyses (KIDA) claims that the North's actual military spending in 2009 was \$8.77 billion: 15 times more than the official figure of \$570 million, and equivalent to a third of total gross national income.

**Jan. 19, 2011:** MOU says 10 ROK companies are being investigated for illegally importing DPRK goods. Seoul has banned inter-Korean trade (except the KIC) since May 2010.

**Jan. 19, 2011:** MOU announces that despite the ban on inter-Korean trade in 2010 reached a record \$1.91 billion, up 14 percent on 2009. The KIC alone accounted for \$1.44 billion, up by more than half (53 percent) from 2009.

**Jan. 19, 2011:** *Radio Free Asia (RFA)* claims that on Jan. 10 the WPK sent a written order to work units telling them to supply food for the KPA. This has only occurred twice before.

**Jan. 20, 2011:** In a telegram signed by Minister People's Armed Forces (MPAF) Kim Yong Chun and sent to the South's Defense Minister Kim Kwan-jin, North Korea proposes high-level military talks. On Jan. 26 Seoul accepts this, and suggests a date of Feb. 11.

**Jan. 21, 2011:** A Seoul court sentences Rev. Han Sang-ryol to five years jail for his illegal two-month visit to North Korea last summer. Pyongyang condemns this as "persecution."

**Jan. 22, 2011:** MOU reports a dip in output at the KIC in November, when the North shelled Yeonpyeong. Production fell from \$29.4 million worth of goods in October to \$25.1 million, or by 15 percent. However the number of Northern workers in the zone grew to 45,000.

**Jan. 25, 2011:** ROK FM Kim Sung-hwan says the North must offer an "acceptable" apology at upcoming military talks for sinking the *Cheonan* and shelling Yeonpyeong.

**Jan. 26, 2011:** MOU calls on Pyongyang to hold inter-Korean talks on the nuclear issue.

**Jan. 26, 2011:** The North's Foreign Ministry (MFA) reiterates the DPRK's commitment to denuclearization of the peninsula, but warns Seoul against setting "unilateral preconditions" or trying to manipulate the order of pending cross-border talks.

**Jan. 27, 2011:** Lee Choon-geun of the Korea Economic Research Institute (KERI), a private Seoul think-tank, says North Korea has made an annual average of 3.8 military provocations since 1958, rising to 4 during and despite the 'sunshine' policy era (1998-2007). He and others at a KERI seminar aver that for Seoul "strong actions are the best option" in response.

**Jan. 27, 2011:** *Rodong Sinmun* urges the South Korean government and conservative media to desist from "mudslinging and provocative acts" which incite confrontation with the North.

**Jan. 28, 2011:** Kim Jong Il's exiled eldest son Kim Jong Nam tells the Japanese daily *Tokyo Shimbun* that his father opposed a third-generation hereditary succession, but had no option in order to preserve stability. He made similar comments to the Japanese press in October.

**Jan. 28, 2011:** The DPRK Democratic Front for the Reunification of the Fatherland (DFRF) proposes inter-Korean parliamentary talks to discuss how to defuse tension on the peninsula. The DFRF also urges talks on resuming suspended inter-Korean tourism. MOU dismisses all this as a "a routine offensive" and "not a behavior that shows sincerity."

**Jan. 31, 2011:** The North's APPC again urges prompt talks on humanitarian issues, as well as other topics of mutual interest including reunions of separated families.

**Feb. 1, 2011:** The two Koreas agree to hold working-level military talks on Feb. 8. President Lee urges the North to seize a "good opportunity" at the military talks. Speaking on TV, he adds that he "can hold a summit if necessary."

**Feb. 1, 2011:** The head of the DPRK Red Cross sends a message to his ROK counterpart, demanding to hold a proposed inter-Korean Red Cross meeting at the earliest possible date.

**Feb. 3, 2011:** The DPRK Supreme People's Assembly (SPA) sends a letter to the ROK National Assembly, proposing contact and negotiations to improve North-South relations.

**Feb. 5, 2011:** A five-ton DPRK fishing boat arrives off Yeonpyeong in thick fog. All 31 North Koreans aboard are taken to Incheon for questioning. They say they do not want to defect.

**Feb. 7, 2011:** Nam Sung-wook, director of the Institute for National Security (INS) says that Kim Jong Un is likely to visit China this year.

**Feb. 8, 2011:** The DPRK Red Cross calls on Seoul to return the 31 boat people.

**Feb. 8, 2011:** MOU forbids the NGO Council for Cooperation with the North, an umbrella group of 50 aid bodies, to go as invited by the North's National Reconciliation Council to monitor distribution of food aid sent last year. MOU explains that since Pyongyang has yet to show regret over the *Cheonan* or Yeonpyeong, "our punitive measures will stay in effect."

**Feb. 8-9, 2011:** Colonel-level military talks are held at Panmunjom. The talks break up abruptly when the KPA team walks out. They later accuses the South of being the ones who walked out.

**Feb. 9, 2011:** Seoul says it agrees "in principle" to Red Cross talks about fresh reunions of separated families. However, the failure of military talks later the same day puts paid to this.

**Feb. 10, 2011:** In a four-page diatribe blasting Seoul as insincere, the KPA says it "does not feel any need to deal with the group of traitors any longer." Various DPRK media carry this in full over the next 24 hours, in a marked change from their milder tone hitherto this year.

**Feb. 10, 2011:** KCNA belatedly confirms that the North too is suffering an FMD outbreak.

**Feb. 10, 2011:** ROK Unification Minister Hyun In-taek says that Seoul is "keeping its door open" to Pyongyang despite the breakdown of military talks: "We will wait and see."

**Feb. 10, 2011:** ROK's official National Human Rights Commission (NHRC) says it will set up a North Korean Human Rights Violations Reporting Center, and also a Hall of North Korean Human Rights Violation Records.

**Feb. 11, 2011:** In yet another overture, the North's APPC writes to each of the South's four main political parties: "We are hoping to talk frankly with anyone, whether a ruling or opposition party or a liberal or a conservative party, to improve North-South relations."

**Feb. 13, 2011:** Database Center for North Korean Human Rights, an ROK NGO, reports that half of all DPRK defectors in the South have sent money to their families still in the North.

**Feb. 14, 2011:** In its annual assessment of the DPRK power structure, MOU says that Office 38, a bureau that raises funds for Kim Jong Il, has been revived after being merged in 2009 with Office 39 – whose remit is wider. UN sanctions are thought to be impeding both.

**Feb. 14, 2011:** MOU reports that Pyongyang has shrunk. Half of the DPRK capital's area (formerly 2,630 square kilometres), with a sixth of its people (500,000) – presumably rural – have been shifted to adjacent North Hwanghae Province. The aim may be to save money.

**Feb. 15, 2011:** The ROK broadcaster *KBS* and others show footage of Kim Jong Il's second son, Kim Jong Chol, at an Eric Clapton concert in Singapore the previous day with a female companion, probably his sister Yo Jong.

**Feb. 16, 2011:** Kim Jong Il's birthday is celebrated with the usual pomp and circumstance, including displays of ice-skating, synchronized swimming, and Kimjongilia flowers.

**Feb. 16, 2011:** Video footage shown on *KCBS TV* reveals that the as yet unannounced Kim Jong Un joined his father in visits to military bases from as early as January 2010. He is also now listed directly after his father, ahead of Vice Marshal Ri Yong Ho – who outranks him.

**Feb. 20, 2011:** An ROK source says that their and US intelligence have spotted the North digging new tunnels at its nuclear test site in Punggye-ri, North Hamgyong province: "It's obvious [they are] preparing for a third nuclear test."

**Feb. 22, 2011:** Unification Minister Hyun In-taek predicts that protests in the Middle East will not affect the DPRK: "I believe the North Korean people have yet to learn of the facts because the North's television does not report on them and the people can't use the Internet."

**Feb. 23, 2011:** KCNA renews its claim that Seoul provoked November's Yeonpyeong shelling: "Our military sent a telephone message to the puppet government ... in order to keep peace and stability on the peninsula by preventing military confrontation but the group of traitors turned to its artillery on Yeonpyeong Island and fired toward our territorial waters."

**Feb. 24, 2011:** *Yonhap* reports that in a letter sent to US Defense Secretary Robert Gates in January, DPRK MPAF Kim Yong Chun warned that a "nuclear catastrophe will break out on the Korean Peninsula" and demanded talks with Washington to avert this. The US refused flat.

**Feb. 24, 2011:** A senior MOU official says that while "small-scale protests over livelihood have been reported since [North Korea's Dec. 2009] botched currency reform, we have not observed any circumstances to be viewed as a collective demonstration there."

**Feb. 25, 2011:** *KCNA*, previously in English and Spanish, now also has a Korean language website – presumably aimed at South Korea, although blocked there: <http://www.kcna.kp> .

**Feb. 26, 2011:** An unnamed top ROK official insists that for the Six-Party Talks to resume, the DPRK's uranium enrichment program must first be taken in hand: "We have to get the UN Security Council to define the nature of this matter and take corresponding steps."

**Feb. 27, 2011:** A KPA spokesman uses *KCNA* to warn that "our army will stage direct fire at the Imjin Pavilion and other sources of the anti-DPRK psychological warfare" if activists continue to

float propaganda balloons into the North across the DMZ. The same day, North Korea's mission at Panmunjom issues its usual critique of the imminent annual US-ROK *Key Resolve* and *Foal Eagle* military drills, and warns of "turning Seoul into a sea of fire."

**Feb. 27, 2011:** Seoul says the DPRK boat people (see Feb. 5) will be returned in a few days.

**Feb. 28, 2011:** A *KCNA* editorial denounces the joint US-ROK *Key Resolve* military drill, which began the same day. Next day's *Rodong Sinmun* calls this a "blatant challenge" to the North and an "unpardonable crime" aimed at driving the peninsula to the brink of war.

**Feb. 28, 2011:** *KCNA* carries a joint "peace declaration" by the North's General Federation of Trade Unions (GFTU) and the South's two union umbrella bodies, FKTU and KCTU. As reported, this "expressed concern about the touch-and-go situation prevailing on the Korean Peninsula [and] urged the US and the south Korean authorities to immediately halt the *Key Resolve* and *Foal Eagle* joint military exercises."

**Feb. 28, 2011:** ROK agriculture minister Yoo Jeong-bok says FMD has hit seven provinces and cities in the North, affecting 11,000 head of cattle and pigs. This is vastly less than in the South, which since Nov. 29 has slaughtered 3.4 million animals for a loss of \$2.6 billion.

**March 1, 2011:** On the 92nd anniversary of the March First movement against Japanese rule, DPRK media stress the need for self-reliant unification by Koreans alone. Marking the same day, President Lee reiterates that "we are ready to engage in dialogue with the North anytime with an open mind."

**March 1, 2011:** Visiting the ROK First Army Corps, whose remit includes Imjin pavilion, Defense Minister Kim Kwan-jin tells his men to retaliate at once if they come under attack: "Don't ask whether to shoot or not. Report after taking action first."

**Mar. 2, 2011:** Marking the 42nd anniversary of MOU's establishment (originally as the National Unification Board), Minister Hyun In-taek says that "over the past 20 years North Korea has gone against the global trend and our good intentions to develop nuclear weapons, further isolate itself from the outside world and strengthen its military-first policy."

**March 4, 2011:** The South brings the 27 boat people to Panmunjom to repatriate them. But the North refuses to accept them, demanding that the other four be returned as well.

**March 6, 2011:** Kim Jung-tae, head of Pyongyang Andong Hemp Textiles, says that "South Korean companies which invested about 200 billion won [\$179 million] in Pyongyang and Nampo are on the brink of bankruptcy because of the suspension of inter-Korean trade."

**March 7, 2011:** North Korea proposes Red Cross talks about the boat people on March 9, and demands that the South bring the four whom it seeks to keep. Seoul says it is ready to talk, but will not bring the four to the meeting.

**March 8, 2011:** South Korea's Foreign Ministry (MOFAT) says it will seek international punishment of North Korea for jamming GPS signals on March 4 during US-ROK exercises.

**March 9, 2011:** ROK Unification Minister Hyun says that "current inter-Korean relations are quite difficult ... There is a variety of currents but they yet look unstable and uncertain ... In principle I believe (a summit) is needed, but for now conditions are not ripe."

**March 11, 2011:** Kwon Tae-jin, a North Korea expert at the Korea Rural Economic Institute (KREI) in Seoul, says he expects the North's grain harvest to fall by 100,000 tons this year to 4 million tons. It needs 5.5 million tons to feed everyone. The same day, a joint mission of UN agencies concludes its month-long on-the-spot assessment of the DPRK food situation.

**March 12, 2011:** Assistant Secretary of State Kurt Campbell says in Seoul that the US will "consult closely" with the ROK before any decision about food aid for the DPRK.

**March 12, 2011:** *KCNA* dismisses a recent comment by South Korea's "chief executive" that the South is ready for dialogue with the North, saying this "cannot but arouse derision."

**March 15, 2011:** North Korea at last agrees to accept just the 27 boat people who want to go home, but insists they do so by sea. This causes further delay, as their craft is unseaworthy.

**March 15, 2011:** North Korea's liaison officer at Panmunjom refuses to accept an official South Korean letter of complaint about alleged jamming of its GPS signals by the North.

**March 16, 2011:** *KCNA* reports that Minister of People's Security Ju Sang-song has been "dismissed from his post due to illness" by the NDC. Some in Seoul doubt this explanation.

**March 16, 2011:** In a lecture, ROK Unification Minister Hyun In-taek says North Korea is not at risk of collapse. Its political situation is "relatively more stable than in the past."

**March 17, 2011:** After Japan's disaster, the director of the DPRK Bureau of Earthquake writes to the ROK's meteorological office, proposing joint research on volcanic activity at Mt. Paektu. The peninsula's highest peak, on the Sino-DPRK border, last erupted in 1903.

**March 19, 2011:** *KCNA* says Kim Jong Il sent a personal message for the 10th anniversary of the death of Hyundai group founder Chung Ju-yung, saying he paved the way for national reconciliation and cooperation. On March 20, Hyundai officials in the Kaesong zone receive a wreath from the North's Asia-Pacific Peace Committee (APPC) in memory of Chung.

**March 21, 2011:** *KCNA* wittily calls ROK MOU the "ministry of confrontation and separation."

**March 22, 2011:** Kim Tae-hyo, ROK deputy national security adviser, tells a security forum in Seoul that "a heartfelt apology for the two provocations last year could become a starting point to opening new South-North relations."

**March 22, 2011:** Seoul agrees to volcano talks, on a civilian rather than an official basis. It suggests March 29 in Munsan: an ROK city near the DMZ used for dialogue in the past.

**March 23, 2011:** *KCNA* quotes an unnamed KPA commander threatening to fire at activists who send balloons carrying propaganda into the North: “If the South’s puppet warmongers do not want to see the lesson of the Yeonpyeong artillery battle repeat, it must act discreetly and stop all its moves for psychological warfare, including the dissemination of leaflets.”

**March 23, 2011:** The (South) Korea International Trade Association (KITA) compares North Korea’s trade with the South and China. Both rose in 2010, but the latter more than twice as fast. Inter-Korean trade last year was only 55 percent of the Sino-DPRK total.

**March 24, 2011:** *Yonhap* quotes an unnamed official as saying Seoul will soon let NGOs resume limited humanitarian aid to the North, but excluding food items like rice and corn.

**March 27, 2011:** The 27 DPRK boat people, in their repaired craft, are finally handed over in the West (Yellow) Sea at the Northern Limit Line (NLL), the contested sea boundary.

**March 27, 2011:** A day after the anniversary of the sinking of the *Cheonan* a year ago, the DPRK website *Uriminzokkiri* posts six articles casting doubt on Seoul’s investigation which held Pyongyang responsible.

**March 29, 2011:** Meeting in Munsan, civilian seismic experts from both Koreas agree on the need for joint volcanic research. No date is agreed to reconvene.

**March 30, 2011:** DPRK liaison officials at Panmunjom refuse to accept a letter from Hwang In-cheol, a South Korean publisher now aged 44, demanding the return of his father who was aboard an ROK airplane hijacked to Pyongyang in 1969.

**March 31, 2011:** ROK MOFAT says the International Civil Aviation Organization (ICAO) has complained to the DPRK about its jamming of South Korean GPS signals, and agreed to take “necessary measures” if there is any repetition.

**March 31, 2011:** Seoul eases its ban on humanitarian aid to the North by NGOs, allowing the Eugene Bell Foundation to send tuberculosis medication worth \$306,000.

**April 4, 2011:** MOU permits two South Korean NGOs to send powdered milk and porridge worth \$161,800 to orphanages in North Korea’s bleak northeast. A day later Vice Foreign Minister Park Seok-hwan said Seoul is “thoroughly reviewing” a recent assessment by three UN agencies, which called for 434,000 tons of food aid to feed 6 million North Koreans.

**April 4, 2011:** ROK official confirms the execution of former DPRK Railways Minister Kim Yong Sam, not seen since 2008. He links this to the huge rail explosion at Ryongchon in 2004, seen by some as a bid to kill Kim Jong Il whose train passed by hours earlier.

**April 5, 2011:** ROK Defense Minister Kim Kwan-jin tells lawmakers that both eastern and western sea borders are under close watch, as the KPA has staged seaborne infiltration drills. Next day a Seoul source says Pyongyang has tested a new larger Sango-class submarine.

**April 5, 2011:** University of Georgia professor Park Han-shik, just back from Pyongyang – he has made over 50 visits – tells *Yonhap* that North Korea still denies sinking the *Cheonan* and “will never offer an apology, even after a century or millennium passes.”

**April 6, 2011:** The Cyber Terror Response Center of the ROK National Police Agency (NPA) accuses the DPRK of responsibility for a wave of cyber-attacks on March 3-5.

**April 6, 2011:** ROK geologists propose more volcano talks on April 12 in Kaesong.

**April 6, 2011:** MOU says it will not allow 14 NGOs to meet North Koreans in Shenyang, China during April 7-10 to discuss aid, “considering the current situation.”

**April 7, 2011:** The DPRK Supreme People’s Assembly (SPA) holds its annual session, for a single day. It approves a budget with no numbers. Ri Myong-su is appointed Minister of People’s Security, and Pak To-chun to the National Defense Commission (NDC).

**April 7, 2011:** Yoon Sang-hyun, a lawmaker of South Korea’s conservative ruling Grand National Party (GNP), claims that North Korea has at least a million tons of rice stockpiled in case of war: 300,000 tons for regular forces and 700,000 tons for reserves. It has also stored 1.5 million tons of oil and 1.7 million tons of ammunition, he says.

**April 8, 2011:** The DPRK Asia-Pacific Peace Committee (APPC) warns that it will revoke Hyundai Asan’s tourism monopoly at the Mt. Kumgang resort.

**April 12, 2011:** At a second round of volcano talks, held in Kaesong and lasting for eight hours, the two Koreas agree to convene an expert forum in May – possibly in Pyongyang – on potential volcanic activity at Mt. Paekdu, followed by an on-site survey in mid-June.

**April 13, 2011:** MOU issues new guidelines for schools denouncing North Korea’s human rights abuses and its hereditary succession. Southern conservatives regard many ROK school texts on modern Korean history as over-critical of the South while whitewashing the North.

**April 15, 2011:** North Korea marks Sun’s Day, the 99th birthday of its founder Kim Il Sung, with an arts festival and other celebrations. South Korean activists launch 200,000 leaflets into the North, bearing information about uprisings against dictators in the Middle East.

**April 15, 2011:** The ROK parastatal Korea Resources Corporation (KoRes) holds a forum in Seoul to voice its concern at losses in its DPRK mining ventures since Lee Myung-bak took office. Kim Shin-jong, KoRes’ president, says he now cannot even ascertain the status of ten Northern projects, much less visit. China is gaining ground in the North’s mining sector.

**April 18, 2011:** Young activists march to the National Assembly in Seoul to ask why a North Korea human rights bill has been delayed for a year. The reason is hostility by the opposition Democratic Party (DP), which fears that this will worsen inter-Korean relations.

**April 19, 2011:** MOU says that North Korea owes the South about \$1 billion for food, railway, and other loans. Repayment falls due from 2012. Seoul is not holding its breath.

**April 20, 2011:** MOU allows two further NGOs to send small amounts (worth \$90,000) of medical supplies and food for orphans to North Korea. 20 applications are still pending.

**April 21, 2011:** At a press conference in Pyongyang, 10 of the 27 returned boat people claim they were kidnapped and held in South Korea, which tried to force them to defect.

**April 22, 2011:** The KPA threatens “unpredictable and merciless” fire against any future launches of propaganda leaflets into the North, calling this “a form of psychological warfare and just a clear-cut war provocation to a warring side” and a violation of the 1953 Armistice.

**April 22, 2011:** Seoul rejects a renewed call by Pyongyang for Red Cross talks on the four boat people who defected.

**April 22, 2011:** MND belatedly confirms DPRK charges that machine-gun rounds were fired towards the North at Yeoncheon at the DMZ on April 15. It says this was an accident.

**April 23, 2011:** North Korea’s Committee for the Peaceful Reunification of the Fatherland (CPRF) accuses the South of “denying dialogue and driving the inter-Korean relations to catastrophe.” Specifically, it accuses Seoul of failing to send government officials to the volcano talks, but only “personages of a nongovernmental organization bereft of any real mandate and responsibility” who had “a very insincere attitude.”

**April 25, 2011:** US and ROK NGOs kick off North Korean Human Rights Week in Seoul. Held annually in Washington since 2004, this is the second year it has been staged in Korea.

**April 25, 2011:** The Seoul daily *Chosun Ilbo* reports that North Korean clams, scallops and other seafood are openly on sale in ROK markets.

**April 26, 2011:** Apropos the visit to Pyongyang by former US President Jimmy Carter and three retired European leaders, known as The Elders, Foreign Minister Kim Sung-hwan tells Pyongyang that it should speak to Seoul directly rather than using intermediaries.

**April 27, 2011:** Seoul suggests Red Cross talks on May 4, to discuss not just the North’s four boat defectors but also hundreds of South Koreans held in North Korea.

**April 27, 2011:** The DPRK Academy of Social Sciences sends a fax via China to the ROK’s Northeast Asia History Foundation (NEAHF), suggesting cooperation on ensuring that the sea between Korea and Japan is known internationally as the East Sea rather than the Sea of Japan. NEAHF replies positively, suggesting they meet at Kaesong in mid-May.

**April 28, 2011:** MOU nixes a visit to Kaesong by two ROK labor groups, FKTU and KCTU on two grounds: they applied late and such trips are banned. KCTU holds a protest rally, and asserts that “we will achieve a South-North workers’ general meeting at all costs even if we can’t be together in one place.” The last such joint meeting of unionists was in 2007.

**April 28, 2011:** In Seoul, Jimmy Carter says he bears a personal message from Kim Jong Il: “He specifically told us that he is prepared for a summit meeting directly with President Lee Myung-bak at any time to discuss any subject directly between the two heads of state.” Lee does not meet Carter either.

**April 29, 2011:** North Korea’s SPA Presidium formally annuls Hyundai Asan’s rights at Mt. Kumgang, declaring the area a new special zone for international tourism. (See also April 8)

**April 29, 2011:** An anonymous senior ROK official says the North’s purported summit offer is “nothing ... new” and “too ambiguous. What we want is concrete action.”

**April 29, 2011:** Ignoring DPRK threats to shoot at them, some 50 ROK activists launch 10 balloons across the DMZ. They carry 200,000 leaflets, 1,000 dollar bills, radios and DVDs.