

CONTENTS

COVER STORY

- SIGNS OF THAWING MOOD IN INTER-KOREAN RELATIONS 2
The latest inter-Korean agreements are the first tangible diplomatic results since the launch of the Park Geun-hye government.

SOUTH KOREA'S POLICY REVIEW

- LIST OF ACTIONS FOR NORTH KOREA TO SHOW SINCERITY 8
The "action list" for N. Korea comprises a clear-cut declaration of its position on denuclearization and separated family reunions.

NEWS FOCUS

- FIRST FAMILY REUNIONS IN MORE THAN THREE YEARS 12
North Korea experts attributed the family reunions agreement to the Park Geun-hye government's consistent effort to stick to its principles.

- N. KOREA'S NEWLY-BUILT SKI RESORT UNDER FIRE 16
Critics say many ordinary North Koreans are angry that the regime is squandering money on frivolities while failing to end chronic food shortages.

- RISING POWER ELITE OF NORTH KOREA AFTER PURGE OF JANG 20
Under Kim Jong-un's two-year rule since late December in 2011, the socialist country has undergone power structures with significant personnel changes.

- N. KOREA'S COAL INDUSTRY FACING UNCERTAINTY 24
Intelligence sources said the coal export business has meant power in North Korea, with the industry being one of the key reasons behind the fall of Jang.

OPINION

- PYONGYANG'S PEACE OFFENSIVE & SIX-PARTY TALKS 28
Kim Jong-un has described nuclear and rocket tests as the "biggest legacy" of the late leader Kim Jong-il.

MAJOR DEVELOPMENTS

- Internal Affairs/External Affairs/Inter-Korean Relations 32

BASIC INFORMATION

- NORTH KOREA'S ROYAL 'MT. PAKTU' BLOODLINE 42
N. Korea's attempt to idolize Kim Jong-un as the pure Mt. Paektu bloodline is flawed because his mother Ko Yong-hui was born in Japan.

STUDIES By Kim Dong-yub, Ph. D.

- THE NORTH KOREAN MILITARY SYSTEM FOR GUIDANCE AND COMMAND 45

- FOREIGN TIPS 57

- PEOPLE & CHRONOLOGICAL REVIEW 60

COVER PHOTO : South and North Korea hold the high-level talks at Panmunjom on Feb. 14. The talks secured an agreement on the reunions of families separated by the Korean War. Kim Kyou-hyun (third from L), the chief of South Korea's National Security Council secretariat, and Won Tong-yon, the deputy chief of North Korea's United Front Department, represented the two sides. (Photo courtesy of Unification Ministry) (Yonhap)

SIGNS OF THAWING MOOD IN INTER-KOREAN RELATIONS

The latest inter-Korean agreements are the first tangible diplomatic results since the launch of the Park Geun-hye government.

■ By Lee Kwang-ho

After years of mutual hostilities, South and North Korea recently made a meaningful step forward in improving relations and building confidence. Although it is too early to have any hasty optimism, the rival Koreas have laid the groundwork to expand inter-Korean exchanges and cooperation toward their ultimate goal to establish permanent peace and stability on the volatile Korean Peninsula.

The fresh momentum came when the rival Koreas reached a three-point agreement during a rare high-level meeting held on Feb. 14 at the border village of Panmunjom. At the second round of meetings following inconclusive talks on Feb. 12, the two Koreas reached the deal to hold the reunions of war-separated families at the Mount Kumgang resort in North Korea as scheduled from Feb. 20 to 25, to stop slandering each other and to have additional high-level talks to break the deadlock in inter-Korean relations.

Trust-building Process

The first high-level talks in seven years took place as Pyongyang intensified its peace offensive in an apparent attempt to ease its diplomatic isolation and economic difficulties. Hopes of reconciliation rose steadily as North Korean leader Kim Jong-un specifically called for Seoul's efforts to enhance inter-Korean ties in his New Year's address.

Though the South initially cast doubt over the sincerity of the conciliatory gesture as a mask to build logic for a military provocation, it has recently displayed a more active attitude toward its northern neighbor amid progress in the family reunion issue and at their joint factory park in the North's border town of Kaesong.

An anchorwoman of North Korea's Korean Central Television Broadcasting Station reads an "important proposal" by the North's powerful National Defense Commission in Pyongyang on Jan. 16. The proposal calls for the two Koreas to suspend all provocative actions and slander beginning on Jan. 30 to improve their strained relations. (Yonhap)



Undeniably, the latest inter-Korean agreements carry great significance as they are the first tangible diplomatic results since the launch of the South's Park Geun-hye and the North's Kim Jong-un governments. Both sides struck a deal amid practical constraints like the North's nuclear threats and the upcoming Korea-U.S. military drills. Experts predict that the latest deal could serve as momentum for thawing frozen inter-Korean ties and changing the hostile tides swirling in Northeast Asia.

Above all else, it is especially encouraging that they ironed out an accord on the reunion of families separated by the Korean War for the first time in more than three years. Analysts took note of Pyongyang's significant concession on the family reunion issue, given that the socialist country had pushed South Korea to postpone the start of its annual military exercises with the United States. Such conciliatory steps by Pyongyang were a stark

contrast to last year's heightened tension triggered by the North's bellicose rhetoric against the annual joint drills.

The most meaningful aspect of the latest agreement is that the South gave a full account of President Park's signature trust-building process during the inter-Korean talks and the North Korean side responded to it positively. Seoul officials hope the latest agreement will mark a turning point in pushing inter-Korean ties toward broader cooperation and exchanges.

Seoul's chief delegate Kim Kyou-hyun said after the talks that Pyongyang accepted "our position that the family reunion event is important." This can be seen as the North's response to the South's commitment to building trust, fueling hopes of further constructive engagement between the two sides. Kim said the two Koreas shared the need of staging the reunions without a hitch and improving inter-Korean ties through hours of candid dia-

logue, though they have differences on pending issues. Kim is also vice chief of Cheong Wa Dae's National Security Office.

Both sides also agreed to stop slandering and insulting each other in what appears to reflect the reclusive North's strong demand that South Korean media halt reports critical of its young leader, Kim Jong-un, although it is still ambiguous how this accord can be implemented.

More importantly, Seoul and Pyongyang agreed to hold further meetings of high-ranking officials to continue to develop inter-Korean relations. This means that all pending issues between the Korea scan be on the table, raising hopes for a major breakthrough in their stalled ties just one year after President Park took office.

Seoul's Position

The North's state media also struck an upbeat tone on the agreement. "During the meeting, both sides affirmed their resolve to open a new era in national unity, peace and prosperity, and independent unification by improving North-South relations," the North's official Korean Central News Agency (KCNA) said.

Evidently, the agreement marks a change in Pyongyang's stance toward the Seoul-Washington military exercises. Throughout the negotiations since the first round of Feb. 12, the North's delegation led by Won Tong-yon, the vice-head of the United Front Department of the North's ruling Workers' Party, called for a delay of the Key Resolve and Foal Eagle scheduled to begin on Feb. 24 until after the family gathering at Mount Kumgang. Pyongyang

has long objected to the annual drills, which are scheduled to take place in South Korean territory until April 18.

But Seoul rejected the demand, saying the two issues cannot be linked. The North initially resisted at the latest talks as well, Kim said, but displayed a more cooperative attitude as the South repeatedly stressed the event as key to Park's "trustpolitik" approach aimed at re-engaging Pyongyang while deterring its security threat.

"We tried to persuade them, saying that the South and North should build trust to activate in earnest the president's peninsula trust-building process, and that the family reunions would be the first step in that," Kim told a news conference.

The last reunions of families separated by the 1950-1953 Korean War took place in October 2010, under the Lee Myung-bak administration. Since then, following North Korea's deadly shelling of South Korea's Yeonpyeong Island in November 2010, no further reunions have been held.

Alongside the military drills, slander was another key feature in Pyongyang's "crucial proposals" in January. The socialist state has been urging the South to block negative news reports about its regime. Seoul dismissed the demand as "impossible." By agreeing to cease slander, the two sides will better understand each other and help foster trust, Kim said. "For our part, we reiterated that we don't do such a thing (slander) on any government level, and will never engage in media control because the freedom of the press is a foundation of our society," he added.

Notably, the inter-Korean contact was made even without fixing an agenda for

the talks. The officials most likely covered a wide range of other issues such as the regularization of those family reunions, the resumption of Mount Kumgang tours, the North's sinking of the Cheonan warship and bombardment of Yeonpyeong Island in 2010, and the May 24, 2010 sanctions against the North's provocations.

Still, South Korean officials said the North did not request for the South's economic assistance at the talks. But others said the North Korean officials presumably focused on economic issues like fertilizer aid and the resumption of South Korean tours to Mt. Kumgang.

Besides the three-point agreement at the high-level talks, the major concerns of South Korea included discussing a series of proposals by the Park Geun-hye administration such as developing the Kaesong Industrial Complex into an international business district, setting up a so-called peace park in the demilitarized zone, and building a railway network from South Korea to Europe through North Korea and Russia.

Pyongyang's Peace Gestures

Since the beginning of the year, Pyongyang has been on a peace offensive after underscoring the importance of better relations. The Seoul government responded by urging the recalcitrant regime to demonstrate its sincerity through actions not words. Bilateral ties plunged sharply last year after the North carried out a third nuclear test and threatened to launch nuclear attacks against South Korea and the United States.

The North's top decision-making

National Defense Commission made a "crucial" proposal in late January, suggesting the two Koreas stop slander and military hostilities, and work out measures to prevent a "nuclear catastrophe." In its letter on Jan. 24, the North Korean commission said that its proposal was neither a disguised peace overture nor a tactic aimed at creating an excuse for a new provocation.

But the North has not mentioned abandonment of its nuclear weapons, despite staging a diplomatic propaganda campaign, in which it repeats its "important offer" by mobilizing its envoys to the United Nations, China and the United Kingdom. Still North Korea demands a halt to the South Korea-U.S. military drills while continuously pushing for nuclear development.

North Korea has recently toned down anti-South Korea rhetoric via propaganda radio broadcasts and leaflets after it suggested halting cross-border slander to improve bilateral ties. Seoul's defense ministry said on Feb. 3 that Pyongyang has recently reduced the number of its radio programs broadcast via loudspeakers along the inter-Korean border and temporarily stopped flying propaganda leaflets near its western border since it offered a series of peace gestures toward Seoul.

While the North's latest moves are seen as part of its peace gesture, North Korea has continually been carrying out its winter drills since December, though some were reduced during the Lunar New Year holiday.

Motives behind the North's conciliatory gestures vary. Presumably, North Korea's Kim Jong-un, having consolidated his power base, badly needs to improve the

economy to show his ability as a leader and stabilize popular sentiments in the wake of his brutal purge of potential rivals. Though Seoul initially suspected Pyongyang's overtures as a prelude to a military provocation, it has recently displayed a more forward-looking attitude as the two sides made progress on the issues of separated families and a joint factory park in the North's border city of Kaesong.

Yet it might be too premature to expect the rival Koreas to bury the hatchet soon, according to North Korea experts in Seoul. Despite signs of a thaw on the peninsula, the situation doesn't warrant optimism. If the past is any guide, inter-Korean ties could quickly sour again. This is all the more so, given the tough challenges in carrying out the agreement by both Koreas.

Motives behind Gestures

The North reportedly rejected Seoul's call for the denuclearization of the peninsula, saying it is a multilateral issue that can't be dealt with in inter-Korean talks. But other North Korea watchers say the two Koreas need to gain momentum for deeper talks through improved relations before tackling the nuclear issue in earnest -- both bilaterally and multilaterally.

The Feb. 14's deal is widely seen as a victory for Seoul, as it vowed to make sure that both the reunions and its upcoming joint military exercises with the U.S. will go ahead as scheduled. "North Korea seemingly returned home with empty hands. Still, its acceptance of the South's position of not linking the family reunions to the military exercises will help the North

improve its image on the international arena and get a chance to have better relations with the outside world," said Chang Yong-seok, a North Korea expert at Seoul National University.

A government official said that while there were not specific talks about what sort of aid the South will give the North, President Park has consistently emphasized providing humanitarian aid, and the unification ministry will seek out what can be done.

Yet, North Korea continued to slam the United States for hindering the improvement of inter-Korean relations and escalating tensions on the Korean Peninsula. Pyongyang's fresh invective against Washington strikes a sharp contrast to a series of reconciliatory gestures toward Seoul. "The U.S. has employed every manner to impede the improvement of the inter-Korean relations," the North's state-run Rodong Sinmun newspaper said.

Regarding the latest proposal to halt calumnies, experts said the defense ministries of the sides had agreed in 2004 to end propaganda activities along the military demarcation line, as well as to prevent military clashes in the Yellow Sea, off the west coast. But war rhetoric from the North continued even after the agreement, with many verbal attacks lodged directly against South Korean presidents. Furthermore, there have been several bloody clashes along the maritime border.

Moreover, Kim Jong-un continued his military inspection since the beginning of the year. Kim's recent military inspections sparked speculation that the communist state is seeking to forge internal unity following the highly publicized political

upheaval involving the bloody purge of Jang Song-thaek, Kim's uncle once considered the nation's No. 2. "Kim Jong-un's recent activities are seen as an effort to boost military morale and show his commitment to national security," said Yang Moo-jin of the University of North Korean Studies in Seoul. "It also seems to show the regime's stability following Jang Song-thaek's execution."

Denuclearization

Pyongyang's charm offensive is apparently aimed at boosting business cooperation with other countries, and extracting food handouts and other economic aid chiefly from Seoul, which are vital for propping up its crumbling economy. A barrage of sanctions targeting the communist state's nuclear programs has choked off revenue streams and outside assistance, resulting in its lopsided economic reliance on China.

However, the resumption of the tours to the Mount Kumgang resort cannot be considered separately from the North's abandonment of nuclear weapons, experts said. The North's fraudulent tactic to receive South Korea's economic aid by disguising its nuclear development with peace propaganda will never work, others said.

The overtures also came as part of the North's efforts to reopen the six-party talks on its denuclearization, last held in late 2008. After his own news conference in New York recently, North Korea's Ambassador to the U.N. Sin Son-ho reiterated the regime's willingness to return to the negotiating table, saying its timing hinged on the opponents apparently Seoul

and Washington.

On the critical denuclearization issue, the North said it wants to propose measures that all interested parties can take to prevent a nuclear catastrophe from taking place. "Denuclearization of the Korean Peninsula remains the ultimate goal of the DPRK's (North Korea) military and people," the North's NDC argued repeatedly.

On Feb. 14, China said that it has been making "utmost efforts" to resume the long-stalled multilateral talks aimed at ending North Korea's nuclear weapons program, saying such efforts were made when Chinese diplomats visited Pyongyang in early February. China's foreign ministry spokeswoman Hua Chunying said, however, nations involved in the six-party talks should "accommodate legitimate concerns of the DPRK" if any resumption of the talks can take place.

Hua made the remarks in response to comments in Seoul by U.S. Secretary of State John Kerry that China should do more to rein in the North's nuclear ambitions. In Beijing on Feb. 14, Kerry held talks with Chinese President Xi Jinping and other leaders. "China is a major country with responsibility. It has played its due role to promote the settlement of the Korean nuclear issue through various channels," Hua said.

Since its third nuclear test in February last year, North Korea has repeatedly expressed its willingness to reopen the six-party talks "without preconditions," but Seoul and Washington have demanded Pyongyang demonstrate its sincerity first by taking steps toward denuclearization. (Yonhap)

LIST OF ACTIONS FOR NORTH KOREA TO SHOW SINCERITY

The so-called action list for North Korea to show its sincerity comprises a clear-cut declaration of its position on denuclearization, the admittance of responsibility for bloody attacks on South Korea and separated family reunions.

■ By Kim Tae-shik

South Korea, which has persistently called on North Korea to show sincerity in its relations with the South, made detailed demands of Pyongyang in late January to back up its recent conciliatory overture with action.

Since its leader Kim Jong-un called for an improvement in relations with South Korea in his New Year's speech this year, North Korea has stepped up its peace offensive toward Seoul. But South Korea, judging that North Korea lacks sincerity, has been cautious of the North's overture that called for, among other things, the cancellation of joint military drills between South Korea and the United States which are slated for late February through April. The North has also called for a halt to all slander and military hostility between the two Koreas.

Three-point Action List

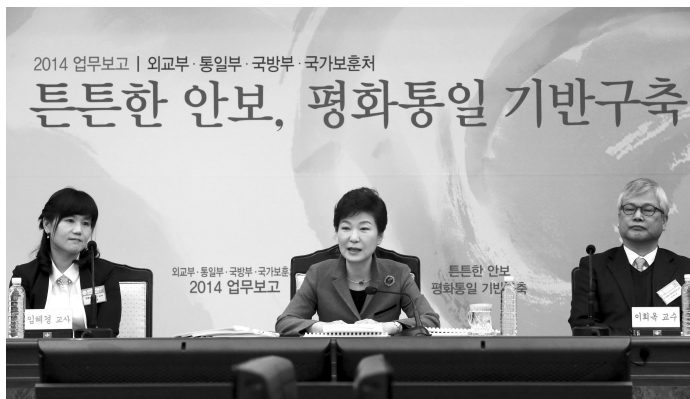
"The North should demonstrate its sincerity through action," said Kim Eui-do, spokesman for the Unification Ministry in charge of inter-Korean relations, on Jan. 24, outlining a list of actions North Korea should take to show its sincerity.

The comments came hours after North Korea pressed South Korea not to rashly reject its overture, insisting that its proposal is neither deceptive nor a prelude to provocations.

The so-called action list for North Korea to show its sincerity includes a clear-cut declaration of its position on denuclearization and the admittance of responsibility for the sinking of the South Korean warship "Cheonan" in the Yellow Sea in March 2010 and the bloody shelling of a South Korean border island the same year. Forty-six sailors were killed in the sinking of Cheonan while four people, including two civilians, were killed in the bombing of Yeonpyeong Island. North Korea has denied responsibility for the attacks.

It is the first time that South Korea has directly linked the North's torpedoing of Cheonan and shelling of Yeonpyeong Island to the question of its sincerity.

South Korean President Park Geun-hye (C) speaks while receiving policy reports for 2014 from the unification and foreign ministries in Seoul on Feb. 6. (Yonhap)



South Korea also demanded that North Korea comply with the South's call for reunions of families separated by the 1950-53 Korean War.

In a statement by the powerful National Defense Commission (NDC) on Jan. 16, North Korea proposed an end to all acts of provocation and slander between the sides from Jan. 30, a day before Lunar New Year's Day.

Seoul dismissed the statement the next day. It was North Korea that made countless provocations and slanderous remarks, the government said.

North Korea again called for inter-Korean talks in the form of an "open letter" by its NDC to the authorities, various political parties, social organizations and people of various circles in South Korea on Jan. 24.

North Korea also stepped up its charm offensive through state media. "The South Korean authorities should dispel prejudice and unnecessary suspicion toward their compatriots to salvage North-South relations," said the North's main newspaper, the Rodong Sinmun, on Jan. 20.

The propaganda newspaper also called on South Korea to halt all slander, calling it a first step toward improving inter-Korean relations.

South Korea questioned whether the North is serious, citing Pyongyang's track record of carrying out provocations after making conciliatory gestures toward South Korea.

The North carried out a third nuclear test in February last year, a month after it called for an improvement in inter-Korean ties.

Last year, the North also threatened to turn South Korea's presidential office into a "sea of fire" and to launch nuclear attacks against South Korea and the United States.

Since early this year the North has sent mixed signals to the outside world as it renewed its overture. While sending numerous conciliatory messages to the South, its leader Kim Jong-un observed training exercises of special military units that South Korea says may be aimed at enhancing night-time infiltration capabilities.

The South's defense ministry also on Jan. 24 urged Pyongyang to take action and not just

use words to demonstrate its sincerity.

“The serious security situation ... can be resolved if North Korea stops its hostile rhetoric and threats,” vice ministry spokesman Wi Yong-seop said in a briefing. “The most important military tactic is to figure out the enemy’s hidden motive.”

The government reaffirmed that South Korea will go ahead with the joint drills with the U.S.

The North says the military exercises could be a rehearsal for a nuclear war against it, a claim rejected by Seoul and Washington.

The government also urged North Korea to take action to show that it is committed to denuclearization. The North views its nuclear programs as a deterrent against what it claims is the United States’ hostile policy against it.

The government rebuffed as groundless the North Korean claim that the country’s nuclear capability is a “treasured sword” that can protect the Korean people from war.

Family Reunions, A First Step

Seoul also urged Pyongyang to stage reunions for families separated after the 1950-53 Korean War, without any preconditions.

The sides had agreed to hold family reunions at Mount Kumgang, a mountain resort on North Korea’s east coast, in September last year. However, the North abruptly canceled the reunions at the last minute.

In early February, South Korea proposed holding family reunions later that month.

But the North rejected Seoul’s offer, citing, among other things, South Korea’s upcoming joint military exercises with the U.S.

Family reunions are a highly emotional issue on the divided Korean Peninsula. Most of the separated family members are in their 70s and 80s and want to see their long-lost relatives before they die.

In a sharp departure from its past positions, North Korea responded favorably to Seoul’s call and agreed in a rare high-level meeting on Feb. 14 to hold reunions of separated families as scheduled despite the upcoming joint military drills between Seoul and Washington. Some analysts have attributed the breakthrough to the President Park Geun-hye government’s consistent effort to stick to its position on inter-Korean relations despite numerous pending issues such as North Korea’s denuclearization.

North Korea has demanded that South Korea cancel and most recently delay the drills until after the family reunions end. In the first high-level talks held in seven years, the North backed down from its demand and agreed to stage the reunions, a move widely seen as a concession from the recalcitrant communist country.

The agreement is generally regarded as a victory for Seoul, as it vowed to make sure that both the reunions and its upcoming joint military exercises with the U.S. will go ahead as scheduled.

South Korea has stressed the significance of the fulfillment of the agreed family reunions,

describing it as a first step toward the improvement of inter-Korean relations.

“It is meaningful that the two Koreas took a first step toward the development of inter-Korean relations based on confidence,” Seoul’s chief delegate Kim Kyou-hyun said after returning from the high-level talks with Pyongyang at the border village of Panmunjom.

Kim also said the South’s side explained to their northern counterparts the details of President Park’s Korean Peninsula trust-building process and the North Korean delegates expressed understanding about the basic intentions of the policy.

The North apparently made a concession in reversing its previous position of linking the family reunions to military drills, but experts say it is only the first step. Kim said he expects the authorities of the two sides to continuously build trust based on the result of the Feb. 14 agreement.

The government has consistently stressed the need to build trust with North Korea, but by keeping to its principles and maintaining deterrence against provocations.

President Park said late last year that there is no change in her position that she can meet North Korean leader Kim Jong-un any time if it is required for the improvement of bilateral relations and the preparations for reunification but stressed that the talks should not be just for the sake of talks.

She also stressed the nation’s strong preparedness against possible North Korean provocations.

Park said in a meeting of national unification advisors in November last year that “our efforts to realize unification should not be stopped” even though North Korea is not trustworthy. “I think we should build trust on a step-by-step basis while keeping our principles, although it is difficult at present to expect a substantial change from North Korea,” she said. “If the two Koreas begin with ‘small cooperation’ in the fields that are feasible to realize, it will be a foundation to build trust.

“If we make progress in North Korea’s denuclearization, we will be able to proceed on the road of more diversified cooperation and it will be a shortcut in establishing the base for peaceful unification.”

Now that North Korea has agreed to stage family reunions without preconditions, experts said it is likely to demand Seoul make various concessions in future high-level talks.

They speculated that by not moving to cancel or postpone talks for the reunions, Pyongyang may be trying to get Seoul to lift its comprehensive sanctions that have restricted most cross-border exchanges. The communist country has moreover shown interest in getting the South to reopen tours to the scenic Mount Kumgang resort.

Seoul imposed the sanctions after it accused the North of sinking Cheonan in the Yellow Sea in March 2010, while the Mount Kumgang tours were halted after a North Korean guard shot and killed a female South Korean tourist in July 2008.

Whether inter-Korean relations can improve is dependent on North Korea’s attitude, they said. (Yonhap)

FIRST FAMILY REUNIONS IN MORE THAN THREE YEARS

North Korea experts attributed the family reunions agreement to the Park Geun-hye government's consistent effort to stick to its principles.

■ By Kim Tae-shik

After more than three years of hiatus, South and North Korea staged reunions of families separated for decades since the 1950-53 Korean War. About 300 people from both Koreas gathered at the scenic Mount Kumgang resort in North Korea on Feb. 20 for a six-day reunion with their families living across the border.

The family reunion, an emotional issue between the two Koreas, was realized after a series of turns and twists. Until recently the prospects for the reunions have been uncertain as North Korea linked the issue of reunions with South Korea's military drills with the United States, holding it hostage while demanding Seoul cancel the joint exercises.

The two Koreas agreed in a Red Cross meeting on Feb. 5 to hold the reunions at Mount Kumgang from Feb. 20-25. North Korea, however, threatened to backtrack from the deal the next day, once again calling on Seoul to cancel its upcoming joint military exercises with the United States.

During the South-North Korean Red Cross talks at the truce town of

Panmunjom, the North agreed to stage the reunions of families from Feb. 20-25 without saying a word on Seoul's military drills with Washington that were to start in late February.

Seoul and Washington were scheduled to stage their annual Key Resolve command post exercise and Foal Eagle field training from late February through April.

Dismissing the North's claim that the drills are a rehearsal for a nuclear war against it, the allies vowed to go ahead with them, saying the drills are defensive in nature. The Seoul government also urged the North to abide by its promise.

On Feb. 7 South Korea sent a team of officials to check the facilities at the proposed venue for family reunions at Mount Kumgang. North Korea did not take an issue with the South Korean team's visit and allowed its entry.

In a sharp departure from its past positions, North Korea agreed in a rare high-level meeting with the South on Feb. 14 to hold reunions of separated families as scheduled despite the joint military drills.

North Korea has demanded that South

Korea cancel and most recently called on the South to delay the drills until after the family reunions end. In the first high-level talks held in seven years, the North backed down from its demand and agreed to stage the reunions, a move widely seen as a rare concession from the recalcitrant communist country.

North Korea experts in Seoul attributed the breakthrough to the President Park Geun-hye government's consistent effort to stick to its principles in inter-Korean relations and viewed the agreement as a victory for Seoul, as it vowed to make sure that both the reunions and its upcoming joint military exercises with the U.S. will go ahead as scheduled.

"It is meaningful that the two Koreas took a first step toward the development of inter-Korean relations based on confidence," Seoul's chief delegate Kim Kyou-hyun said after returning from the high-level talks with Pyongyang at the border village of Panmunjom.

Following the agreement South Korea dispatched an advance team of officials to North Korea on Feb. 15 to help arrange upcoming reunions of separated families.

The 15-member team, including Red Cross officials, crossed the border by car into the North to visit Mount Kumgang, where the family reunions will be held.

During the reunions, a total of 84 South Koreans and 88 North Koreans were scheduled to meet their family members

On the eve of the reunion, a total of 82 elderly South Koreans, accompanied by 58 family members, arrived in a resort in South Korea's east coastal city of Sokcho to go through medical checkups and receive



Kim Kyou-hyun, the South Korean chief delegate to inter-Korean high-level talks, announces the outcomes of the talks at the Unification Ministry in Seoul on Feb. 14. The two sides agreed to hold reunions of families separated by the 1950-53 Korean War as scheduled on Feb. 20-25. (Yonhap)

training on dos and don'ts for their trip to the North.

On Feb. 20 the South Koreans left for Mount Kumgang by bus on an inter-Korean road for the reunions with 180 North Korean relatives that lasted until Feb. 22, in the first stage of the reunions.

On Feb. 23, about 360 other South Koreans were scheduled to hold a second round of reunions with 88 North Korean relatives in the North's resort before they

return home on Feb. 25.

The reunions were made in three years and three months after last such gatherings were held in October 2010 undergoing a series of vicissitudes.

In early January, South Korea proposed holding family reunions in time for the Lunar New Year holiday, which falls on Jan. 31. South Korean President Park Geun-hye said resuming the family reunions would serve as a first step toward improving inter-Korean relations as she made the offer in her New Year's press conference on Jan. 6.

Inter-Korean Breakthrough

Pyongyang rejected Park's proposal, citing, among other things, Seoul's annual joint military exercises with Washington.

North Korea then made an abrupt proposal on Jan. 24 to hold family reunions after the Lunar New Year holiday. South Korea proposed Jan. 27 holding reunions at Mount Kumgang from Feb. 17 to 22 and hold a working-level Red Cross meeting to discuss the details of the reunions.

The North Korean Red Cross proposed holding the reunions at the Mount Kumgang resort "at a convenient time" after the Lunar New Year holiday.

The South also offered on Jan. 27 to hold working-level Red Cross talks on Jan. 29 at Panmunjom to discuss details of a new round of family reunions.

After a week-long silence, the North responded on Feb. 3 asking to hold the talks either on Feb. 5 or 6.

Before responding to Seoul's proposal, the socialist country on Jan. 28 urged the

South to make joint efforts to improve the inter-Korean relations and vowed to fulfill its role for national reunification and peace.

The North's National Defense Commission (NDC), headed by the country's leader Kim Jong-un, had called on South Korea to scrap the annual drills.

"Dialogue and exercises of war and aggression cannot go hand in hand," the commission said in a statement aired by state-run radio.

South Korea's defense ministry immediately dismissed the North's demand, saying it will go ahead with the drills as scheduled.

Seoul and Washington say their annual training events are designed to heighten the allies' defense posture against possible provocations by North Korea. About 28,500 U.S. troops are stationed in South Korea, a legacy of the 1950-53 Korean War.

The NDC also lashed out at the U.S. for flying a B-52 bomber over the peninsula on Feb. 5 when the two Koreas reached a deal on the reunions during their Red Cross talks and warned that the reunions could not be held if slander by the South persists.

The North took issue with South Korean news reports critical of its leader Kim Jong-un's failure to remove his shoes when he visited several children at a Pyongyang nursery.

The NDC statement underscored the North's unpredictability and the challenges in dealing with the country, which has a track record of backtracking from or canceling agreements at the last minute. Last year, the sides agreed to hold family

reunions in September, but Pyongyang unilaterally called them off at the last minute.

South Korea expressed regret over North Korea's threat, arguing the military drills have nothing to do with the humanitarian issue.

"The North should not take action that hurts elderly separated families again," Unification Ministry spokesman Kim Eui-do said.

President Park also urged North Korea not to hurt the separated families.

"North Korea should not leave a large wound in the hearts of the separated families again," Park said during a meeting with senior officials from across the government, military and civil society on Feb. 7.

"I hope that by carrying out the reunions well, we will open the path to (improved) inter-Korean relations and move toward a new Korean Peninsula of peace and joint development."

North Korea on Feb. 12 called on South Korea to delay the military exercises until after staging the family reunions in the first round of high-level talks.

South Korea rejected the North's request, noting that family reunions should not be linked to the military exercises.

"We proposed that South and North Korea build confidence by implementing the family reunions," a Unification Ministry official said after the two Koreas ended three hours of talks at the border village of Panmunjom.

North Korea finally agreed to hold the reunions as scheduled taking back its demand for the delay of drills in the second round of high-level talks on Feb. 14.

Millions of Koreans remain separated since the Korean War ended in a ceasefire, not a peace treaty.

Pressing Humanitarian Issue

Family reunions are a pressing humanitarian issue on the divided peninsula, as most of the separated family members are in their 70s and 80s, and wish to see their long-lost relatives before they die. There are no direct means of contact between ordinary civilians of the two countries, which remain divided by a heavily fortified border.

More than 129,200 South Koreans have applied for temporary reunions with their family members and relatives in North Korea since 1988, according to government data. Among them, more than 57,700 people, or 44.7 percent of the applicants, have died, including 3,841 people who died last year.

Only 25,000 family members who had not seen each other since the war were fortunate enough to have temporarily met with their long-lost families in the North through 18 rounds of reunions since the two Koreas began family reunion event in 1985.

South Korea has repeatedly called for frequent family reunions with North Korea. South Korea has also built a family reunion center at Mount Kumgang resort. But the North has balked at the idea of staging frequent family reunions. (Yonhap)

N. KOREA'S NEWLY-BUILT SKI RESORT UNDER FIRE

Critics say many ordinary North Koreans are angry that the regime is squandering money on frivolities while failing to end chronic food shortages.

North Korea is being harshly criticized by the international community for constructing a luxurious ski resort at the expense of its people's welfare. For the past few years under leader Kim Jong-un, the impoverished regime has poured huge sums into the construction of exclusive sports and recreational facilities, including the newly-built ski resort, for the rich and selected few by mobilizing soldiers and workers.

While few North Koreans can afford a trip to the Masik Pass, or Masikryong, ski resort, the socialist state seems determined to attract foreign tourists in a bid to earn hard currency. Critics say many ordinary North Koreans are angry that the regime is squandering money on frivolities while failing to end chronic food shortages. The country's economy is deteriorating under global sanctions for its nuclear and missile tests.

Moreover, the international community has raised questions about how North Korea obtained the foreign-made expensive ski equipment despite toughened United Nations sanctions after its third nuclear test in February last year. The sanctions call for,

among other things, member states not to provide "luxury goods" to North Korea.

The newly-opened ski resort is equipped with high-end Western equipment that appears to have been smuggled in despite international sanctions. Radio Free Asia reported recently that the equipment is banned from export to the North, raising concerns about the effectiveness of sanctions on the regime.

North Korea opened the ski resort ahead of the New Year after a mere one-year construction period. The resort near the North's east coast city of Wonsan was built on the personal initiative of leader Kim Jong-un, who is believed to have enjoyed skiing in the Alps while studying in Switzerland in the 1990s.

The North Korean leader appears to be using sport to ease public discontent over poverty and suppression, and improve the isolated state's image overseas, experts say. In his New Year's message, the young leader praised soldiers and builders for creating "numerous monumental structures" including the resort in a short period. Kim also stressed the speed of the con-

A ceremony to dedicate a new ski resort built on the Masik Pass near North Korea's eastern port city of Wonsan is held on Dec. 31. (KCNA-Yonhap)



struction of the resort.

“Speed” has become a slogan for the militant country’s economic policy. The North has repeatedly stressed its policy of seeking both economic growth and nuclear arms development since Kim took the helm of the reclusive country in late 2011.

North Korea’s state media said the ski resort opened on Dec. 31 and Kim visited to mark its completion, taking a ride on a ski lift.

Thousands of North Korean soldiers had been mobilized to complete it by the end of last year. It took only one year to complete the resort, raising concerns that it may be a shoddy construction completed through rough-and-ready work.

Featuring 110 kilometers (70 miles) of multi-level ski runs, a hotel, heliport and cable cars, the resort has been heavily promoted since Kim visited it in June and called for construction to be completed by the end of last year.

“This year, too, the service personnel and people should make concerted efforts to build up Pyongyang so that it is more grandiose,” Kim said in the New Year’s

address. “The ski resort is the valuable fruition of the deep loving care shown (by the party) for the people to enable them enjoy luxury and comfort under socialism,” Choe Ryong-hae, the North Korean military’s top political officer, said in the opening ceremony, according to the North’s official KCNA.

North Korean soldiers have built 10 ski courses and nearly 60 other auxiliary facilities in the ski resort “at a lightning speed,” a project that Choe claimed would take more than 10 years for other countries to complete. North Korea often mobilizes soldiers for large-scale state construction projects.

The young leader has shown a fondness for expensive, high-profile leisure projects in and around the showpiece capital Pyongyang including a massive new water park, an amusement park and a luxury horseback riding club.

It is not clear how many North Koreans can afford to ski in a country where the United Nations says the food security situation is still unsatisfactory. According to South Korea’s intelligence agency, North Korea is estimated to have “wasted” US\$300

million to build leisure and sports facilities, including the ski resort, in recent years.

North Korea's total food production is estimated to have been about 5.03 million metric tons in 2013, about a 5 percent increase over the previous year, the U.N. World Food Program (WFP) said in a report. Still, the food security situation remains serious, with 84 percent of all households having borderline or poor food consumption, the report said.

Skirting U.N. Sanctions

North Korea is using Canadian and European equipment at its newly opened ski resort, a website reported, indicating that Pyongyang likely skirted United Nations sanctions banning the transfer of luxury goods to the country.

A snowmobile, snow blowers and snow cats were seen in photos released by the North's official KCNA when it reported that the North opened its resort ahead of New Year's Day.

NK News, a Washington-based website that specializes in North Korean affairs, reported Jan. 3 that the snowmobile shown in the photo was the high-selling Ski-Doo made by Canadian-owned BRP Inc. It said the newly manufactured equipment were high-end products; snowblowers were products of Sweden's Areco while the snow ploughs were made by Italy's Prinoth and Germany's Pisten Bully.

Chad O'Carroll of NK News said new Canadian snowmobiles, Swedish snow-blowers and Italian and German snow cats have all been spotted at the North Korean resort.

Pictures in the North Korean state media

show at least seven snow blowers produced by Sweden's Areco, each costing US\$37,000; three snow ploughs by Italy's Prinoth and Germany's Pisten Bully, which cost anything between \$80,000 and \$110,000 each; and a "Ski-Doo" snowmobile from Canada's Bombardier Recreational Products and Vehicles, which costs about \$10,000, O'Carroll said.

O'Carroll said that these products are classified as luxury goods, whose export to the North is prohibited by U.N. sanctions. The goods may have been smuggled into the North through an East Asian or Chinese reseller, he speculated.

"It seems most likely that the North bought them through an intermediary in a third country, just as they would do in money laundering, by disassembling them and smuggling them in piece by piece," Cho Bong-hyun of the IBK Economic Research Institute said.

The resort made headlines in August when Switzerland blocked a \$7.6 million sale of ski lifts to Pyongyang, calling it a "propaganda project" for the impoverished regime. The ski lifts at Masikryong were reportedly taken from the Samjiyon ski resort near Mount Paektu, the highest mountain on the Korean Peninsula.

At the time, North Korea's Skiers Association said in a statement that countries should not prohibit Pyongyang from buying equipment which cannot be used to produce any rocket or nuclear weapon.

Although the statement did not elaborate on which country blocked the import, it called such a move unjustifiable and a violation of the U.N. Charter that states sanctions should not affect people in relevant

countries.

A ski lift that Kim Jong-un was pictured riding on Dec. 29 appears to be of vintage quality, with only two seats instead of the industry standard of four. Normally ski lifts with two seats are only found in non-commercial resorts, RFA quoted ski equipment experts as saying.

According to a report by AFP in early January, the ski resort's snow cannons were being used to coat the slopes of the resort in white. "I have no idea how they turned up in North Korea. We did not sell them directly to North Korea," the chief of Areco, Johan Erling, told the Dagens Nyheter newspaper.

Erling said he was surprised by the evidence, and called Areco's reseller in China, who assured him "he hadn't sold snow cannons there." The machines were therefore likely second-hand and difficult to trace, Erling concluded. The European Union has sanctions against North Korea designed to block European-made luxury items being used to further Pyongyang's propaganda.

Public Anger

Despite the controversy over the ski resort, Kim Jong-un appears to be using sport to deflect public anger over poverty and suppression, and improve the isolated state's image overseas, experts say.

"Sports are more effective and less costly than anything else to strengthen unity among citizens and boost their national pride," said Chang Yong-seok, an analyst at the Institute of Peace and Unification Studies affiliated with Seoul National University.

"Through sport, Kim, after all, seeks to refurbish his image into one that cares about the well-being of his people, and further consolidates his leadership, and create an impression of a prospering North Korea."

After Kim took the helm of the North upon his father Kim Jong-il's death in December 2011, hopes had emerged that he might move toward openness and inject vitality into the debilitated economy.

But things have not improved with the unpredictable leadership adhering to military adventurism. Pyongyang's third nuclear test in February last year and its series of long-range rocket tests put the country deeper into international isolation.

North Korean citizens' hopes for change have faded and turned into disappointment toward the leader. Aware of this, Kim has focused on promoting sports, particularly soccer, weightlifting and wrestling, as well as skiing and horse-riding, analysts said.

Ahn Chan-il, the director of the World North Korea Research Center, said Kim seeks to project a dynamic image of a young leader through his push to encourage sports activities. "For him, sport is a propaganda tool to enhance the country's image, which has been mostly about military tension, nuclear armament, isolation and poverty, from outsiders' perspectives," he said.

"On a domestic level, Kim seeks to mitigate the growing frustration over poverty by offering things for entertainment. He also wants to show to the outside world that the North is as civilized and culturally advanced as other nations." (Yonhap)

RISING POWER ELITE OF NORTH KOREA AFTER PURGE OF JANG

Under Kim Jong-un's two-year rule since late December in 2011, the socialist country has undergone power structures with significant personnel changes.

■ By Lee kwang-ho

In the aftermath of the unprecedented execution of his once-powerful uncle Jang Song-thaek, North Korean leader Kim Jong-un appears to be speeding up the consolidation of his power base. Seemingly, there seems to be no conspicuous changes in the North's power structure, yet a close look shows some delicate changes in the inner-circle hierarchy for the past few months before and after the brutal purge of Jang.

Under his two-year rule since late December in 2011, the socialist country has undergone power structures with significant personnel changes in the ruling Workers' Party, the military and the Cabinet. The young leader carried out a generational shift across the board, replacing many older figures with those of a relatively young generation. Specifically, the military has gone through a bigger reshuffle than any other organization, with old guards having been sidelined, while a young generation of officers loyal to leader Kim Jong-un has emerged.

According to a recent analysis by South Korea's unification ministry, the young leader has replaced 44 percent of his

senior party, military and cabinet officials over the past two years. Those senior party secretaries and military officials in their 70s -- who exerted their influence in the era of Kim Jong-il -- appear to have lost actual power now. Kim Jong-un took over the country after his father's death in December 2011.

It is not easy for outsiders to have a correct glimpse into changes in the power structure of the isolated country. But a recent meeting of North Korean officials provided some information. The ruling Workers' Party held a meeting Dec. 17 in Pyongyang to commemorate the second death anniversary of Kim Jong-il. At the party meeting, Kim Jong-un sat at the center of the stage, and top officials from the ruling party and military were seated to his left and right. But Kim's aunt Kim Kyong-hui, the wife of the executed Jang Song-thaek, was absent from the meeting. In 2012's commemoration anniversary, she sat to the right of the leader in the third seat, following two senior assemblymen in North Korea: Kim Yong-nam, president of the Presidium of the Supreme People's Assembly (SPA), who was seated to Kim Jong-un's right, and Choe Yong-rim, hon-

orary vice president of the assembly.

In 2013, her seat was filled by Hwang Sun-hui, head of the Korean Revolution Museum, who is a former anti-Japan Communist fighter. The seat to the right of Kim Jong-un was again taken by Kim Yong-nam, but to his right was Pak Pong-ju, premier of the Cabinet, who is viewed as a rising economist. To the left of Kim Jong-un were a string of high-ranking military officials and several party officials in charge of security.

Core of New Elite Group

The most notable figure sat directly to Kim's left, Choe Ryong-hae, director of the General Political Bureau of the army. Analysts in Seoul think Choe triumphed over uncle Jang in a power struggle. Choe, 63, is relatively younger than other senior military officials, who are in their 70s. Despite relatively little experience in the military, Choe was promoted to the chief of the army's politburo, which is in charge of the supervision of soldiers. He even visited China in May last year to meet with Chinese President Xi Jinping as a special envoy of Kim Jong-un.

To the left of Choe were Ri Yong-gil, chief of the general staff of the army; Jang Jong-nam, minister of the People's Armed Forces; Choe Thae-bok, chairman of the Supreme People's Assembly; Kim Yong-chun, Ri Yong-mu and O Kuk-ryol, vice chairmen of the National Defense Commission; Kim Won-hong, minister of State Security; and Hyon Chol-hae, first deputy director of the People's Armed Forces. Ri Yong-gil and Jang Jong-nam

were reportedly promoted due to their ties to Choe Ryong-hae.

Nevertheless, several figures who were considered close to the executed Jang appeared at the Dec. 17 meeting. They included Mun Kyong-dok, a party secretary; Choe Pu-il, minister of People's Security; and Ro Tu-chol, the vice premier.

During the funeral for leader Kim Jong-il in December 2011, seven figures accompanied his hearse, including Jang and military chief Ri Yong-ho, seen as the most powerful men under the new and hereditary leader. The list of the attendees at the second anniversary on Dec. 17 showed that only two of the seven said members were still in positions of power: Kim Ki-nam, a party secretary in charge of South Korean affairs, and Choe Thae-bok, chairman of the SPA.

Also, the old generation in the military seems to have been waning since the execution of Jang. This was witnessed in the North's state news media report that several elderly hardliners from the days of former leader Kim Jong-il were conspicuously absent from a ceremony at the Kumsusan Palace of the Sun in Pyongyang on Dec. 24 to mark the 22nd anniversary of the senior Kim's appointment as supreme commander.

But conspicuous by their absence were veterans of the "military-first" era National Defense Commission (NDC) Kim Yong-chun, Ri Yong-mu, O Kuk-ryol and Hyon Chol-hae, as well as key members of the old guard who were close to Jang, including Minister of People's Security Choe Pu-il.

Above all, the execution of Jang unveiled the rise of a new powerful and elite group behind the reclusive state's young ruler. A senior South Korean intelli-

gence source said six people were critical in influencing Kim to dismiss and subsequently execute his uncle.

The meeting of security personnel of the North Korean People's Army in Pyongyang in November, attended by Kim Jong-un, was the prelude to Jang's purge. North Korean media covered the meeting, devoting the entire front and second pages of the Rodong Sinmun's Nov. 21 issue to it. The reports stated the meeting of the military intelligence officials was hosted abruptly for the first time in two decades.

North Korea specialists in Seoul concluded that the meeting took place shortly after Jang and his confidants were purged. Jang's two closest aides, Ri Ryong-ha and Jang Su-kil, were publicly executed in late November. South Korean intelligence sources believe the young Kim received an oath of loyalty from the top military intelligence officials at the Nov. 20 meeting in Pyongyang following the purges.

There, the six key men sat next to Kim on the leadership podium. Vice Marshal Choe Ryong-hae sat to the right of Kim. Gen. Kim Won-hong, head of the Ministry of State Security, the highest North Korean intelligence authority, and Lt. Gen. of the Korean People's Army Ryom Chol-song sat in the next seats.

Left of Kim sat Lt. Gen. Jo Kyong-chol Maj. Gen. Kim Su-gil and Hwang Pyong-so, deputy director of the Organization and Guidance Department of the Workers' Party, in charge of military appointments and organization. Choe gave the opening remarks, and Jo gave a briefing to the North Korean leader. Ryom made a conspicuous contribution to the Rodong

Sinmun on Dec. 11, asking Kim to allow the military to be in charge of punishing Jang and his faction for their wrongdoings. As he proposed, Jang was executed the following day after a special court martial.

Following the Nov. 20 meeting, Kim visited Samjiyon near Mount Paektu. Kim discussed follow-up measures for Jang's case at a special retreat there. Accompanying Kim Jong-un were Kim Won-hong, the top intelligence chief; Kim Yang-gon, a secretary of the Central Committee and head of the United Front Department of the North's ruling party; and Han Kwang-sang, director of the party's Finance and Accounting Department. The party's deputy directors Pak Tae-song, Hwang Pyong-so, Kim Pyong-ho, Hong Yong-chil and Ma Won-chun also accompanied Kim, indicating that they have risen to power under the young leader's rule.

Purge for Power Consolidation

South Korean intelligence officials concluded that the six men highlighted at the meeting of North Korean military security personnel and the officials who participated in the Samjiyon trip will be the core of the new elite group following Jang's death. The military officials are expected to lead efforts to ensure the regime's security and protect Kim's safety, while the men from the Samjiyon trip will be expected to calm public sentiment in the aftermath of Jang's execution.

On Dec. 30, North Korea celebrated leader Kim Jong-un's ascension to power two years ago. The anniversary came just weeks after the political upheaval of Jang's

execution on charges of treason, prompting speculation of instability in Pyongyang's inner circle. "The people's armed forces should hold higher the slogan of protecting comrade Kim Jong-un with our lives and must move as if being one body according to Kim's order," said Choe Ryong-hae, the director of the military's politburo, in a speech at the ceremony.

With North Korea experts saying the latest purge of the ranking official, was likely aimed at consolidating the young Kim's grip on power, the state-run media have since dialed up lavish praises on Kim. He has been referred to as "another illustrious commander" of Mount Paektu and "the most distinguished brilliant commander in our era." North Korea has said Kim carries the country's royal bloodline, called the Mount Paektu bloodline.

In the two years under Kim Jong-un's rule, a total of 31 high-ranking officials in the ruling party, the cabinet and the military were purged, demoted or retired, and 52 new figures arose, a South Korean government report said recently. The report said the young leader carried out a generational shift across the board, replacing many older figures with relatively youthful ones, lowering the average age of the inner circle from 76 to 62.

The report picked four deputy-ministerial-level officials of the ruling Workers' Party as the most notable figures: Kim Pyong-ho, a deputy director of the Propaganda and Agitation Department; Pak Tae-song, a deputy director of the Organization and Guidance Department; Hong Yong-chil, a deputy director of the Machine Industry Department; and Ma

Won-chun, a deputy director of the Finance and Accounting Department.

The military has gone through a bigger reshuffle than any other organization, the report said. The report focuses on 25 newly appointed senior generals who were promoted in the Kim Jong-un era. "They are mostly specialized in operations and have experience as field commanders," the report said.

The rising military stars include Kim Won-hong, minister of State Security, and two deputy directors of the General Political Bureau of the army, Ryom Chol-song and Kim Su-gil. Ri Song-guk, commander of the Fourth Corps of the North Korean Army, which faces South Korea's western frontline units, is known to be 44 years old and a former commander of the 39th division.

The report added that 17 senior military officials, who were praised as "the generation of the Songun (military-first) policy" and promoted under founding leader Kim Il-sung, were dismissed from their posts.

The report also pointed out that North Korea reappointed several economists, such as Cabinet Premier Pak Pong-ju, who were once dismissed for their failure in the so-called July 1 new economic measures, a reformist policy in 2002 to partly adopt a capitalist system to boost the moribund economy.

Pak was an architect of the reform plan at the time, which attempted to give more autonomy to local businessmen. But some military hard-liners reportedly protested his move, resulting in the plan floundering. After the plan was scrapped, Pak was demoted to a textile factory in 2007 but returned to Pyongyang in 2013 as the Cabinet Premier. (Yonhap)

N. KOREA'S COAL INDUSTRY FACING UNCERTAINTY

A source well-versed in North Korean intelligence said the coal export business, North Korea's biggest source of U.S. dollars, has meant power in North Korea, with the industry being one of the key reasons behind the fall of Jang.

■ By Kim Tae-shik

Following North Korea's surprising execution of Jang Song-thaek, the once-powerful uncle of its leader Kim Jong-un, South Korea's intelligence agency linked the purge to conflict among North Korea's power elites related to the lucrative coal business.

According to the National Intelligence Service on Dec. 26, Jang, who was publicly executed on Dec. 12, exercised various privileges, fueling complaints at other agencies. The corruption was reported to Kim Jong-un, leading him to mistrust Jang. Jang and his aides enjoyed key business rights connected to the coal business that utilizes 54 divisions under the Administrative Department.

A source well-versed in North Korean intelligence said the coal export business, North Korea's biggest source of U.S. dollars, has meant power in North Korea, with the industry being one of the key reasons behind the fall of Jang.

Since Jang had been spearheading North Korea's foreign trade, particularly econom-

ic cooperation with China, he should have been involved in the coal export business, North Korea experts generally agree. Jang's closest aide Jang Su-gil, who was also executed at the end of November, reportedly was involved in the industry, operating a trading company under the wing of the People's Security Ministry.

In a related move, North Korea reportedly replaced coal industry minister Rim Nam-su with Mun Myong-hak after Jang's purge. North Korean media introduced Mun as the head of the coal ministry on Jan. 5. Mun was attending an anniversary event at the Pukchang Area Coal-Mining Complex.

Although little is known about the details of the reshuffle, North Korea watchers in Seoul speculate it may be related to the execution of Jang.

Coal Reserves

Coal is abundant in North Korea and accounts for the lion's share of the North's

mineral resources exports. Hard coal mines are mostly distributed in South Phyongan Province and South Hamgyong Province, while the mines of lignite, or brown coal, are in North Hamgyong Province.

The North Korea Resources Institute (NKRI), a private think tank in Seoul, estimated North Korea's coal reserves to amount to 22 billion tons in a report in August 2013.

The report also estimated the reserves' potential value at US\$3.7 trillion, more than 15 times the value of South Korea's reserves worth \$220 billion.

The coal deposits in North Korea are largely divided into anthracite and bituminous coal deposits. Anthracite coal deposits are chiefly located in the Phyongan provinces while bituminous mines are scattered in the Hamgyong provinces. The Phyongan provinces are home to two large coalfields -- the South and the North.

The South coalfield stretches about 80 kilometers east to west with Pyongyang at the center. Major mines in the south coalfield include Samsin, Sadong and Ryongsong mines in Pyongyang, Hukryong and Kangdong mines in Kangdong County, Kangso mine in Kangso County, Songchon mine in Songchon County, and Onchon mine in Onchon County.

In the North coalfield are Tokchon, Hyongbong and Jenam mines in Tokchon County, Joyang and Kaechon mines in Kaechon County, Songnam and Hyondong mines in Pukchang County, Sinchang and Chonsong mines in Unsan County, and Jikdong mine in Sunchon City.



A work to excavate coal is under way at the Kumya Youth Coal Mine in South Hamgyong Province, North Korea. The North's Korean Central News Agency released the photo on Jan. 28. (Yonhap)

There are large-scale bituminous coal mines in three coalfields in North Hamgyong Province -- South, North and Anju. The biggest one is Aoji mine in Kyonghung County, North Hamgyong Province.

North Korea's coal exports to China sharply increased from 2010. According to data from China's customs office, North Korea's coal exports remained at between

2 million and 3 million tons a year in the latter half of the 2000s.

They jumped to 4.6 million tons in 2010 and skyrocketed to 11.17 million tons in 2011 and 11.87 million tons in 2012. Exports reached an estimated 8.3 million tons in the first half of 2013 alone.

In 2013, North Korea became the number one country in terms of exporting anthracite coal to China, beating Vietnam. North Korea's anthracite exports to China reached 14.99 million tons in the first 11 months of the year, accounting for 41 percent of China's total anthracite imports.

Other data released by the Seoul-based Korea International Trade Association showed that North Korea's coal exports to China in the first 10 months of 2013 amounted to \$1.13 billion, about half of its total mineral exports to the neighboring country in the same period worth \$2.35 billion.

Worsened Investor Sentiment

Investor sentiment among Chinese investors in North Korea's mining industry has deteriorated since Jang's execution.

As North Korea condemned Jang for selling the country's precious mineral resources, including coal, at dirt-cheap prices, substantial damage is thought to be inevitable for the country's mining development projects, which North Korea has promoted with top priority.

The special military tribunal that found Jang Song-thaek guilty of treason said "He (Jang) instructed his stooges to sell coal and other precious underground resources at random.

Consequently, his confidants were saddled with huge debts, deceived by brokers. Jang had no scruples about committing such acts of treachery last May as selling off the land of the Rason economic and trade zone to a foreign country over a period of five decades under the pretext of paying those debts.

North Korea has encouraged various work places and factories to normalize operations and increase production since Dec. 17, 2013, following the second anniversary of the death of late North Korean leader Kim Jong-il.

Chinese businesses have halted fresh investment in North Korea following the North's third nuclear test in February 2013 and the unilateral suspension of operations of the inter-Korean joint factory park in the North's border city of Kaesong in April that year.

Chinese investors are paying special attention to Pyongyang's denunciation of the leasing of the Rason special economic zone and the selling of mineral resources as crimes.

Before the third nuclear test, North Korea had concluded a number of investment deals with Chinese investors for the construction of infrastructure such as roads and hotels while allowing the Chinese investors to develop mines in the country.

Foreign companies have participated in about 25 mining projects in North Korea. China, Japan, the United States, and Britain were participating in North Korean mining projects as of 2011, Choi Kyung-soo, president of NKRI, said in a report published in August 2011.

Chinese companies, in particular, have

been aggressively participating in North Korean mineral development since 2003. At present, China is participating in about 20 of these mining projects, he said.

North Korea tried to increase its mineral exports to China when inter-Korean trade was suspended after South Korea took sanctions against the socialist country in May 2010 following the North's deadly torpedo attack on a South Korean naval ship in March that year.

However, North Korea shifted its policy to invite Chinese investment in mining as the profitability of North Korea's mines was low due to the lack of capital and technology.

As North Korea officially put the brakes on alluring Chinese investment in return for mining development rights, Chinese investors adopted a wait-and-see approach.

A source in China's border area with North Korea told Yonhap that the number of Chinese businesses registered with the Chinese authorities as investors in North Korea stands at 180, but only 50 companies of them maintain their joint venture projects in North Korea in reality.

China's North Korea investors chiefly invest in mines, restaurants, food processing, manufacturing of construction materials and merchandise distribution. The survival rate is lowest for investment in the mining industry, the source said.

A businessman in China's northeast region said losses would be inevitable for Chinese companies that had relations with Jang and that business prospects in North Korea have plummeted due to the unpredictable political situation in the country.

Following the reshuffle of its coal indus-

try minister, North Korea has reshuffled the mining industry minister from Kang Min-chol to Ri Hak-chol.

It was confirmed that the (North) Korean Central TV Broadcasting Station on Jan. 10 introduced Ri as the mining industry minister, while airing interviews with senior government officials.

It is the first time North Korean media introduced Ri as the minister. Ri appeared on TV at the same time in March last year as the vice minister of the mining industry.

As was the case with the reshuffle of the coal industry minister, little was known about the background of the replacement of the mining industry minister and North Korea watchers believe the reshuffle may be related with Jang's execution.

Earlier, the North confirmed changes within the ruling Workers' Party of (North) Korea (WPK), and the appointment of Kim Yong-gwang as the new head of the Ministry of the Metal Industry, replacing Han Hyo-yon, which was reported by the Korean Central TV Broadcasting Station on Jan. 2.

A North Korea source in China said economic cooperation between China and North Korea would shrink for the time being, although North Korea is expected to step up its efforts to invite Chinese investment.

"North Korea's most attractive card for alluring foreign investment is mines. Now, Chinese businesses' major concern is how North Korea will manage its policy," he said. (Yonhap)

PYONGYANG'S PEACE OFFENSIVE & SIX-PARTY TALKS

Kim Jong-un, who ascended to power following his father's death has described nuclear and rocket tests as the "biggest legacy" of the late leader Kim Jong-il.

■ By Lee Jong-heon, Ph.D. *Senior researcher, Asia Future Institute in Seoul, Korea*

Will North Korea return to the long-stalled nuclear disarmament talks? This is the question of the moment as the isolated nation has staged a new round of its peace offensive highlighted by what it called an "important proposal" to mend ties with South Korea. Under the charm offensive, the North has agreed to hold reunions of separated families, a highly emotional and humanitarian event the South has long wanted to see. The North has also said it is ready to rejoin the six-nation talks, the main framework to discuss resolving Pyongyang's nuclear problem in a diplomatic manner.

Is the peace gesture real? Or just a repeat of what the defiant nation has done before -- a deceptive prelude to a new round of provocations? Given what it is actually doing behind the softened rhetoric, Pyongyang seems to be not so sincere. While extending an olive branch, the North has taken a series of steps toward increasing its nuclear arsenal by restarting a plutonium-producing reactor shut down in 2007 and expanding the size of its uranium-enrichment facility. Recent satellite images showed the North has also been improving its capabilities for a long-range missile that could be equipped with nuclear warheads.

Judging from a variety of circumstances, it is fair to say that North Korea has no intention to abandon its nuclear programs. If so, why has the North been showing signs of returning to the denuclearization dialogue? What Pyongyang wants from the peace offensive was well reflected by what its envoy in Beijing told international media recently.

In a press conference on Jan. 29, North Korean Ambassador to China Ji Jae-ryong said his nation has already "taken its seat on the boat for



Cho Tae-yong (R), South Korea's top negotiator to the six-party talks on ending North Korea's nuclear ambitions, and his visiting U.S. counterpart Glyn Davies (L) discuss ways to denuclearize the communist country at the Foreign Ministry in Seoul on Jan. 29. (Yonhap)

the six-party talks” and is waiting for the other countries -- South Korea, the U.S., China, Russia and Japan -- to join. His comment was noteworthy because it was very rare for North Korean diplomats to invite foreign media to their diplomatic compound for a press interview. Ji described denuclearization as the nation’s “unchangeable goal,” but made clear denuclearization is “not about unilateral scrapping” of the North’s nuclear program, but making the South free of nuclear weapons as well, apparently referring to the U.S. nuclear umbrella. This overture is no doubt aimed at transforming the six-way talks focused on the North’s nuclear issue into an overall nuclear arms reduction negotiation that would also deal with the U.S. atomic arsenal, a move to consolidate its self-proclaimed status as a nuclear state.

Ji’s remarks were more focused on calls for the U.S. to end its “hostile policy” toward Pyongyang and discontinue its joint military exercises with South Korea. “There

will be no hope whatsoever for settling the nuclear issue as long as U.S. hostile policy remains in place,” Ji was quoted as saying. What Ji said can be summarized: “We are committed to denuclearization but cannot abandon our nuclear programs due to the U.S. hostile policy. To show an end to its hostile policy, Washington should refrain from military drills in South Korea and sit down with us to sign a peace treaty and economic compensation.” So, if Washington does this, will the North give up its atomic weapons? Highly unlikely.

Nuclear Issue as Sovereignty

North Korean leader Kim Jong-un, who thinks his country has become an offensive nuclear power, has shifted the nuclear game into a matter of national sovereignty, an issue that can never be put on the negotiating table. This is a departure from his father and grandfather who intended to use the nuclear program as a card for their

destitute, reclusive nation in its game of getting diplomatic recognition and economic concessions or a defensive deterrent to external threats.

The country's founding leader Kim Il-sung who initiated a nuclear program in the late 1950s was said to have pushed for the atomic drive for peaceful use. He had been quoted by Pyongyang's media as saying that his country has "neither the intention nor capability" to build nuclear weapons. His son Kim Jong-il, who took the helm following the 1994 death of Kim Il-sung amid the nuclear crisis erupted by Pyongyang's 1993 withdrawal from the nuclear non-proliferation treaty (NPT), was also said to have been committed to denuclearization. Up until May 2011, seven months before Kim Jong-il's death, the North's Foreign Ministry declared denuclearization as an "unchangeable direction our Republic must move in," though the country maintained strategic ambiguity over its suspected nuclear weapons program and conducted nuclear tests twice in 2006 and 2009.

Kim Jong-un, who ascended to power following the death of his own father in December 2011, has described nuclear and rocket tests as the "biggest legacy" of the late leader. What Kim did first after assuming power was amending the Constitution in April 2012 to add in the country's status as a nuclear state. He rushed to carry out a third nuclear test in February 2013, which showed the underground detonation had long been prepared for. Since then, Kim has praised himself as achieving the country's long-held dream of having nuclear capabilities.

When the North revised in June 2013 its key ruling ideology of the "10 Principles

for Monolithic Leadership" for the first time in 39 years to legitimize Kim's ruling, it inserted the term "nuclear force" as "the backbone" of the country's "military power and economic solidarity."

Furthermore, Kim has adopted a national strategy of pursuing a nuclear arsenal and economic growth, strong evidence that he will not abandon nuclear weapons.

What matters most is that the North is nearing its eventual goal of making a small warhead that can be mounted on a long-range missile. It is expected to go ahead with tests of high explosives necessary to miniaturize and lighten nuclear warheads. Nuclear experts say it will take four to five years for the North to make a warhead small and light enough to be fitted on a long-range ballistic missile. Armed with the increasing nuclear capabilities, the North threatened nuclear war with the South and the U.S. in early 2013.

What Pyongyang Wants

With more nuclear bombs in its hands, North Korea is likely to propose discarding some of them in return for massive economic aid. Kim's primary objective is to consolidate his power and strengthen internal unity, while paving the way for long-term stability. To meet these goals, he must "reward" those loyal to him and "repress" the rest of the people. For this reason, Kim spent the past two years in office getting a firm grip on the military and security apparatus, even executing his uncle Jang Song-thaek.

What's at stake is how to ensure material benefits for the ruling elite and revive the moribund economy. As the shocking exe-

cution of Jang is sure to spark internal unrest, Kim should give the citizens what they want to boost his leadership. This is why he has been focusing on an economic revival since the December execution. In his New Year's address, Kim pledged to rebuild the economy and improve the people's living standards, while calling for improved ties with the South, the biggest potential supplier of economic aid, which was followed by the "important proposal" in which Pyongyang suggested halting all cross-border slander and called for mutual action to prevent a nuclear calamity.

In line with the charm offensive, the North is expected to put pressure on Seoul and Washington to resume the six-way talks, which have been suspended since December 2008. By rejoining the six-nation talks, Kim wants to see his strategy of wild swings between confrontation and detente pay off despite Seoul and Washington having ruled out "buying the same horse twice." Even if his proposal is rejected, Kim will use the aborted peace offensive to justify his return to saber rattling that will spread a warlike mood across the North, which will help tighten his grip on power. Kim has good reasons to launch the peace offensive, regardless of the response.

Questions about Internal Stability

Seoul and Washington have urged Pyongyang to prove that it is sincere with its peace offensive through "action" by fully complying with the landmark nuclear agreement reached at the six-nation talks on Sept. 19, 2005. On the same day of Ji's press conference on Jan. 29, Glyn Davies,

the U.S. special representative for North Korea policy, was in Seoul to reaffirm the stance by saying: "What we need is not just change in attitude but change in direction; in fact, concrete steps from North Korea." Under his policy of "strategic patience," President Barack Obama didn't make a single mention of North Korea in his State of the Union address.

South Korean President Park Geun-hye since taking office in early 2013 has pushed for her vision of "trustpolitik," which calls for building trust with the North as a foundation for serious negotiations on its nuclear weapons programs in exchange for economic assistance. Washington and Seoul have told Beijing to exert its influence on Pyongyang, but China is still more focused on maintaining stability in the North than resolving the nuclear issue.

But time seems not necessarily on their side with mounting questions about the North's internal stability. Who will take control of nuclear facilities if a coup takes place and Kim is ousted? A more serious nightmare for Seoul and its neighbors is possible accidental explosions of the North's poorly managed nuclear reactors. British defense analysis company IHS Jane's, citing nuclear experts, warned that the aged 5-MW reactor in Yongbyon could result in an accidental explosion due to a lack of maintenance, which could affect South Korea and all of Northeast Asia. This fear adds to a long list of the reasons why momentum should be built to end the decades-long nuclear standoff before it is too late. (Yonhap)

Internal Affairs**N. Korean leader pays respects to late father on birthday**

North Korean leader Kim Jong-un paid his respects to his late father on Feb. 16 to mark the former leader's 72nd birthday, Pyongyang's state media reported.

The Korean Central News Agency (KCNA), monitored in Seoul, said Kim visited the Kumsusan Palace of the Sun in the capital Pyongyang, where the body of Kim Jong-il lies in state.

The KCNA said the junior Kim paid his respects before the statues of Kim Il-sung, his grandfather and the founder of North Korea, and Kim Jong-il. The leader placed a floral basket on behalf of the army in front of the statues, it added.

Kim Jong-il's birthday, also called "the Day of the Shining Star," is one of the most important holidays in the communist country along with the founder's birthday referred to as "the Day of the Sun." The incumbent leader took over the country after the sudden death of his father in late 2011.

"Kim Jong Un, together with other visitors, paid high tribute to the statues," the KCNA's English-language dispatch said.

The report said Kim was accompanied by other key government officials and military leaders, such as Choe Ryong-hae, director of the General Political Bureau of the (North) Korean People's Army (KPA), and Ri Yong-gil, head of the General Staff of the KPA.

The young leader, however, was not accompanied by his wife Ri Sol-ju, who had made the visit with her husband last year. (Yonhap)

N. Korea steps up development of Hwanggumphyong Economic Zone

Despite reports of estranged relations with China, North Korea seems to be accelerating developing the Hwanggumphyong Economic Zone, a representative economic cooperation project between the two countries.

The North's main newspaper Rodong Sinmun reported on Jan. 23 that construction of power lines linking Sindo County of North Phyongan Province and the Hwanggumphyong island in the lower reaches of Amnok River (Yalu in Chinese) has been completed by more than 90 percent.

The paper said the North Phyongan Province has set goals to complete the pipeline construction by the end of February.

North Korea started the development of the island in June 2011, but most of the construction, including the pipelines, has reportedly been in the doldrums.

It has been further speculated that the development of the special economic zone on Hwanggumphyong island may go no where, with shocking execution of Jang Song-thaek, the powerful uncle and regent of North Korean leader Kim Jong-un, in December. Jang had been spearheading the project of developing the Hwanggumphyong Economic Zone.

Japan's Asahi Shimbun, a leading daily published in Tokyo, had reported that the North Korean official who was in charge of the Hwanggumphyong island development was recalled to Pyongyang following the execution of Jang, and construction there was suspended.

Pyongyang watchers here speculated that North Korea appears to be developing the island regardless of Jang's execution. (Yonhap)

North Korean newspaper introduces Sochi Winter Olympics

Despite the absence of participating athletes, North Korea has recently shown interests in the upcoming Sochi Winter Olympics slated for Feb. 7 to Feb. 23 in Russia.

North Korea's main newspaper, Rodong Sinmun, introduced various types of news on the Sochi Olympic Games in its article on Jan. 25 and Jan. 27, although no North Korean athletes have been qualified to participate in the competition.

In its news corner of "Today's World" on Jan. 27, Rodong Sinmun gave detailed accounts of preparations, schedules and the Russian authorities' security measures against terrorism during the Olympic games.

The daily for the ruling Workers' Party expressed hope in the article that Russia will find a good opportunity through the Winter Olympics to boost popular sports for all the people by further stabilizing the country's political situation and increasing social interest in sports.

In its Jan. 25 article, the newspaper said Russian President Vladimir Putin expressed strong conviction that the forthcoming Olympics will greatly enhance friendship, trust and partnership among the peoples and nations in the world.

The news report came as North Korea is known to have requested the International Olympic Committee to allow a Pyongyang delegation to attend the Sochi Olympics, although there are no authorized athletes from the North. (Yonhap)

North Korea's 12-year compulsory education to start from April

North Korea will begin implementing its new 12-year-long compulsory education system, a year longer than before, on April 1 over the next three years.

The North's official KCNA reported Jan. 27 that preparations for introducing the universal 12-year compulsory education system in the socialist country are progressing apace.

The KCNA quoted Kim Song-il, a department director of the Ministry of General Education under the Education Commission, as saying that the 12-year education system will begin in the

country on April 1 this year and go into the full effect through a transition period of three years.

On Sept. 25, 2012, North Korea's parliament, the Supreme People's Assembly, approved legislation to extend its compulsory education to 12 years from the current 11 years.

The KCNA also reported that new programs, drawn up in accordance with the 12-year education, will be given to kindergarteners (higher class) and first-year pupils of primary, junior and senior secondary schools this year.

The new educational system is aimed at training all students to be talents equipped with ample knowledge, sound moral character and good health, it said.

New subjects necessary for secondary school students will be added to the system. Textbooks are edited with emphasis on preserving the so-called *juche* (self-reliance) character and national identity, and priority will be given to heuristic method in teaching, according to the state-run news agency.

Meanwhile, various kinds of courses for teachers are going on in all provinces, cities and counties to standardize the new teaching methods created in Pyongyang and other areas, the KCNA said. (Yonhap)

External Affairs

N. Korea urges U.S. to stop nuke war practice in S. Korea

North Korea on Feb. 9 reiterated its call for the United States to scrap its nuclear war practice in South Korea, accusing Washington of trying to launch a nuclear attack on the communist country.

The North's denunciation comes as South Korea and the U.S. are scheduled to stage their annual Key Resolve command post exercise and Foal Eagle field training in late February.

"If the U.S. is sincerely interested in peace and nuclear disarmament, it should not seek its ambition to carry out a pre-emptive nuclear attack against (North Korea)," the North's state-run Rodong Sinmun newspaper said. "The U.S. should immediately suspend its nuclear war practice it is pushing to hold in South Korea."

The newspaper didn't mention what "a nuclear war practice" means, but it was seen as referring to the Key Resolve and Foal Eagle military drills.

Dismissing the North's claim that the drills are a rehearsal for a nuclear war against it, the allies vowed to go ahead with them, saying the drills are defensive in nature.

The Rodong Sinmun further accused Washington of trying to make South Korea and Japan an outpost for its nuclear weapons and start an atomic war on the Korean Peninsula.

Late in January, Japanese Prime Minister Shinzo Abe admitted to a secret Tokyo-

Washington deal that allows the U.S. to stockpile and transport its nuclear weapons on Japanese soil. (Yonhap)

N. Korea compares Abe to Hitler over rightist moves

North Korea compared Japanese Prime Minister Shinzo Abe to Adolf Hitler over his alleged push toward militarism in the latest criticism of the conservative leader on Feb. 4.

Abe has come under fire from South and North Korea as well as China and other countries for visiting a controversial war shrine in Tokyo in December that honors the Japanese war dead, including 14 Class-A war criminals. Abe was the first sitting prime minister to visit the shrine in more than seven years.

“Recent Japanese moves that disturbed the region remind people of Germany’s Adolf Hitler, with his blatant war ambitions following its defeat in World War I,” the North’s official KCNA said in a commentary.

The North’s Rodong Sinmun newspaper also blasted Abe’s visit to the shrine, accusing the right-wing Japanese leader of honoring war criminals as “heroes” and “patriots.”

South Korea and China view the Yasukuni shrine as a reminder of Tokyo’s imperialist past and wartime aggression in the early part of the 20th century. Japan ruled the Korean Peninsula as a colony in 1910-45 and controlled much of China during World War II.

Japan has been taking steps to revise its pacifist constitution that forbids the use of force as a means to settling dispute. If revised, Japan will be allowed to exercise greater military role beyond its borders.

Abe’s hard-line policy is also widely seen as being aimed at expanding Japan’s diplomatic and military power in the region.

North Korea does not have diplomatic relations with Japan. (Yonhap)

North Korea shows off new ski resort to foreign envoys

North Korea has invited diplomats of its allies to a recently completed lavish ski resort, its media reported on Jan. 16, as part of its promotion drive to lure foreign tourists.

According to the report by the North’s official Radio Pyongyang, dozens of foreign diplomats, military attaches and officials from international organizations stationed in the socialist country, along with their family members, made a trip to the Masik Pass ski resort located on the country’s east coast.

The lavish resort, opened earlier this month, is one of the pet projects of the North’s leader Kim Jong-un who reportedly enjoyed skiing while attending school in Switzerland in the early 1990s. (Yonhap)

Inter-Korean Relations**NSC reviews results of high-level talks, future of inter-Korean ties**

South Korea National Security Council (NSC) held a meeting on Feb. 15, a day after North Korea unexpectedly agreed to hold separated family reunions later in February as scheduled despite South Korea-U.S. military exercises.

In a rare high-level meeting with South Korea at the border village of Panmunjom on Feb. 14, North Korea, in a departure from its past policy, agreed to stage a new round of reunions for separated family members from Feb. 20-25.

The North's agreement was in conflict with its past policy of shunning any cross-border projects while such joint South Korea-U.S. joint military exercises are held.

The allies' joint military exercises, called Key Resolve and Foal Eagle, are set to begin on Feb. 24 for a run of about two months. North Korea has denounced the annual drills as a prelude to an invasion against it.

The meeting, which lasted for about three hours, also reviewed an agreement by the two sides to stop slander against each other in order to promote cross-border reconciliation, the sources said.

The sources, who did not wish to be identified, said Kim Kyou-hyun, the South chief delegate to the high-level talks, gave a briefing on details of discussions he had with North Koreans.

North Korea watchers in Seoul speculated that by not moving to cancel or postponing family reunion talks, Pyongyang may be trying to get Seoul to lift its comprehensive sanctions that have restricted most cross-border exchanges. The communist country has moreover shown interest in getting the South to reopen tours to the scenic Mount Kumgang resort.

Seoul placed the sanctions after it accused the North of sinking one of its warships in the Yellow Sea in March 2010, while tours were halted after a North Korean guard shot and killed a South Korean tourist in July 2008. (Yonhap)

S. Korea to push for deal with N. Korea on border park

South Korea said on Feb. 6 that it will push for a deal with North Korea to build a peace park inside their heavily fortified border, a project that could help ease tensions on the Korean Peninsula.

South Korea also plans to embark on the project and hold talks with North Korea on the issue in the coming months, though it did not provide any specific time frame.

"We will push to reach a deal with North Korea" on the project within this year, the unification ministry said in a report of this year's major policies to President Park Geun-hye.

Last year, Park proposed that the two Koreas build a park inside the Demilitarized Zone, a four-kilometer-wide buffer zone, as part of efforts to improve their relations.

Still, the National Assembly has earmarked 30.2 billion won (US\$28.7 million) for Park's pet project, 10 billion won less than requested by the ministry in charge of inter-Korean affairs. The Assembly cited a lack of feasibility as the reason for the reduction.

The project requires cooperation from North Korea as well as the U.S.-led United Nations Command, which oversees the Armistice Agreement that ended the 1950-53 Korean War.

The ministry also said it plans to explore measures to support a North Korea-Russian project that calls for renovation of a 54-kilometer track linking the Russian eastern border town of Khasan to the North's port of Rajin, as well as modernization of the port.

In November, Park and her Russian counterpart Vladimir Putin signed a memorandum of understanding to help South Korean companies join the Rajin-Khasan development project.

South Korea hopes to eventually link its railway to the Trans-Siberian Railway and Trans-China Railway, an ambitious project that will cut logistics costs for South Korea's Europe-bound exports.

Discussions of the project to connect the Trans-Siberian Railway with the Trans-Korean Railway have been under way for more than a decade, but geopolitical obstacles have hindered it, particularly given North Korea's nuclear and missile ambitions. (Yonhap)

Internet services to be available in inter-Korean park this year

South and North Korea will open a small business center with Internet connectivity in the joint industrial park of Kaesong as a first step in bringing the complex online, officials here said on Feb. 9.

"We are planning to launch the basic level of Internet services at the Kaesong Industrial Complex starting in the first half of this year," an official of Seoul's Ministry of Unification said.

"Officials and employees in the North's border city will be able to use most of online services now available in South Korea," he added.

The landmark move in communication at Kaesong was made on Feb. 7 when Seoul and Pyongyang reached an agreement on how to connect the factory to the Internet, which would boost the productivity of firms operating there, clear a key obstacle in the way of potential foreign investment and boost linkage between the two Koreas.

"Considering the fact that workers there have to communicate via phone or fax machines to those in the South, the Internet linkage will boost efficiency, cut costs and guarantee security," the ministry official said.

As the initial step, the two sides plan to build a small-scale business center within the Kaesong park equipped with some 20 personal computers which connect to the Internet, according to the officials.

After a test-run period, the authorities will provide full-scale Internet services to each firm

there, they added.

“Making online access available is also expected to attract foreign investment in the joint park. While some 10 foreign firms have expressed their willingness to make an investment, what they asked me for the first time was whether the Internet is available,” another unification ministry official said.

As early as February, KT, South Korea’s top fixed-line operator and No. 2 mobile carrier, and North Korea’s Post and Telecommunications Corp., plan to launch discussions on the details of setting up such services, according to the ministry.

Since last year, Seoul and Pyongyang have discussed on ways to boost the joint factory park, with a focus on launching Internet services, along with how to make South Koreans’ access to the park easier and to simplify the customs process for products produced there.

As for the entry to the factory park, the two countries agreed upon the establishment of a radio frequency identification system, which has been on a pilot run since the previous month.

The Kaesong complex, the last-remaining symbol of inter-Korean economic cooperation, is home to some 120 South Korean companies that hire more than 44,600 North Koreans, providing a major revenue source for the cash-strapped communist country. (Yonhap)

S. Korean corporate officials to visit N. Korea for joint venture business

Officials from South Korean companies set to participate in an economic project between Pyongyang and Moscow will visit North Korea in mid-February for an on-site inspection, the government said on Feb. 9.

The unification ministry said 18 officials from three South Korean firms will visit North Korea’s northeastern port of Rajin from Feb. 11 to Feb. 13. The companies are state-run Korea Railroad Corp. (KORAIL), top steelmaker POSCO and No. 2 shipper Hyundai Merchant Marine. No government official will join the trip, the ministry said.

Their inspection is part of South Korea’s participation in the Rajin-Khasan development project, the Russian-led rail and port development venture in North Korea.

It’s designed to develop Rajin into a logistics center linked to Russia’s Trans-Siberian Railway. Last September, a double-track railway reopened between Rajin and Khasan, the nearby Russian town, after years of renovation.

In their summit meeting in Seoul last November, South Korean President Park Geun-hye and Russian President Vladimir Putin agreed to help South Korean firms join the Rajin-Khasan project.

Also last year, Park unveiled her plan to expand economic cooperation with Eurasian nations, dubbed the Eurasian Initiative. The policy is built on the idea that exchanges between South Korea and Eurasian nations, in particular Russia, could help induce the reclusive North Korea to open up and alleviate tensions on the Korean Peninsula. (Yonhap)

S. Korea's SME association pushes for another industrial complex in N. K

A business lobby group for small- and mid-sized enterprises (SMEs) said on Feb. 4 that it will seek to build another industrial complex in North Korea like the one in the border city of Kaesong, on the condition that inter-Korean ties improve.

"We have heard second hand from the North side that the country wants to build a second Kaesong industrial complex in its free economic zones of Rajin and Sonbong," Kim Ki-mun, chairman of the Korea Federation of Small and Medium-sized Businesses, said in a meeting with reporters.

Kim made clear that the association is pushing for the plan without prior government approval.

Rajin and Sunbong are located in the North's northeastern coast near the Russian border. They were designated "free economic zones" in 1991 to lure foreign investment.

The Kaesong industrial complex was born out of an agreement from the first-ever inter-Korean summit in 2000 and began operations in 2004. The complex now hosts some 120 South Korean companies that employ more than 44,600 North Korean workers.

Kim said the association is looking at the western coastal cities of Haeju and Nampo as potential sites for the second complex since they are close to Kaesong and can provide the labor force more readily.

The lobby group reportedly conducted a feasibility study recently on the Rajin-Sonbong region and concluded that the cities do not provide suitable facilities for generating electricity and logistics.

"Haeju and Nampo would be a one and a half-hour or two-hour drive from Kaesong if a road is built, and they can supply the electricity generated in Kaesong as well as an abundant labor pool," Kim said.

The negative side is that the cities are near Pyongyang and military facilities, Kim said.

He stressed that any proposal on the project is dependent on better inter-Korean ties and trust-building.

Kim said the association will lay the basis for South Korean companies operating in Kaesong to be able to export their products. It will also seek to have products made at the complex be recognized as made in South Korea so that they can be better received in foreign markets, he said. (Yonhap)

Koreas launch new entry system for joint factory park

South and North Korea on Jan. 28 began the pilot operation of a new border entry system for a joint factory park in the North's border city of Kaesong, Seoul's unification ministry said.

Some 21 out of 51 South Koreans who crossed the border on the day entered the Kaesong Industrial Complex using the radio frequency identification (RFID) system, the first access via the new method, according to the Ministry of Unification, which handles inter-Korean affairs.

Earlier January, South Korea completed the RFID system, a data transfer system to facilitate travel to and from the industrial complex, and has since conducted a test-run.

The electronic system, aimed at making South Koreans' access to the joint complex easier, is expected to allow factory managers here to visit the park and return home at any time on days they are permitted to cross the border, according to the ministry.

Until now, Seoul has had to fax a list of names a day before any trip to the North, which would then allow those on the list to cross the border only during a designated time, an obstacle to the overall competitiveness of the complex.

"The new system will significantly reduce the time required for entry procedures from 13 seconds per person to five seconds, and from 15 seconds per car to seven," a ministry official said.

"After the two-week test-run with everyday commuters to and from the Kaesong park, we will check possible technical issues and then fully implement the system after consultation with Pyongyang," he added.

The Seoul government expects the launch of the new system to serve as a chance for the two Koreas to resolve other pressing issues on communication and customs in a swift fashion.

Along with the RFID system, ways to simplify the customs process for products produced at the Kaesong park and forms of communication between Kaesong and the outside world have also been on the table during three rounds of talks of the joint Kaesong management committee so far, according to ministry officials.

"Next week, the two Koreas are scheduled to hold working-level talks for communication issues, and the customs matters are also under discussion," another ministry official said.

The joint industrial park of Kaesong, the last-remaining symbol of inter-Korean economic cooperation, is home to some 120 South Korean companies that hire more than 44,600 North Koreans.

The project serves as a major legitimate revenue source for the impoverished socialist country. (Yonhap)

S. Korea creates N. Korea situation index

South Korea has developed an index that measures the level of crisis in North Korea and the possibility of the socialist country's transition to a new political system, a government official said on Jan. 26.

The index, called the North Korea Situation Index (NKSI), will not be made public and used only for internal decision-making because its announcement may spark the ire of the North, the official at the Ministry of Unification said.

"The ministry recently concluded the calculation of the NKSI for 2013 and is drawing up an analysis report," the official said. "But it will be difficult to announce the report."

The NKSI, which is calculated once a year, is composed of subindexes covering three sectors: stability, system transition and crisis.

The stability subindex measures the stability of the North Korean regime by calculating the level of stability in the country's politics, military and economy.

The system-transition subindex mirrors the possibility of North Korea's transition to a new political system, while the crisis subindex is a barometer of Pyongyang's overall crisis, according to the official.

The three subindexes are measured on a scale of zero to 100. The closer to 100 the subindex, the higher the level of instability, crisis and change in North Korea.

Between 2010 and 2012, the ministry spent 4.65 billion won (US\$4.31 million) to develop a calculation system for the NKSI.

North Korea has recently undergone a political upheaval following the surprise execution in December of North Korean leader Kim Jong-un's once-powerful uncle, Jang Song-thaek.

South and North Korea remain technically in a state of war since the 1950-53 Korean War ended in an armistice, not a peace treaty. (Yonhap)

S. Korea to allow N. Korea to compete in Incheon Asian Games

South Korea said on Jan. 21 that it will allow North Korean athletes to compete in the Asian Games to be held in South Korea later this year.

Seoul will allow Pyongyang to compete in the games if North Korea informs the organizing committee of the regional sport event of its decision to send its players to Incheon, an official of the unification ministry said.

The Asian Games are to set to run from Sept. 19 to Oct. 4 in Incheon, a port city west of Seoul.

The North has yet to officially inform the committee of its plans. The deadline for the notification is June 20, according to the official.

The comment came a day after North Korea's state news agency said its men's and women's football teams will compete in the Asian Games. The news agency did not elaborate.

Incheon city and the organizing committee welcomed the North's decision.

The North's move came amid its conciliatory gestures to ease tensions on the divided Korean Peninsula. South Korea dismissed the North's overture as a "deceptive" ploy.

In 2002, North Korea sent 184 athletes and a squad of more than 100 female cheerleaders to Busan, South Korea's second-largest city, for the Busan Games.

In 2003, North Korea dispatched 197 athletes and a squad of more than 300 all-female cheerleaders to South Korea's southeastern city of Daegu to attend the Universiade, an international sports event for university athletes. (Yonhap)

NORTH KOREA'S ROYAL 'MT. PAEKU' BLOODLINE

North Korea's attempt to idolize Kim Jong-un as the pure blood of the Mt. Paektu bloodline is flawed because his mother Ko Yong-hui was born and raised in Japan and her father Ko Kyong-taek was from South Korea's Jeju Island.

Following the December execution of Jang Song-thaek, the once powerful uncle of North Korean leader Kim Jong-un, North Korea has stepped up its emphasis of the young leader as a direct descendant of the North's royal family lineage to appeal to people's loyalty and justify the power succession stretching from founder Kim Il-sung to late leader Kim Jong-il and the current ruler.

On Feb. 16, the anniversary of the birth of Kim Jong-il, North Korean newspaper editorials proclaimed, "Let us successfully carry out the idea and cause of leader Kim Jong-il, closely united around Marshal Kim Jong-un."

"Kim Jong-il is the eternal image of the great Paektusan (Mt. Paektu) nation and banner of all victories and glories," the North's main newspaper Rodong Sinmun said.

Mt. Paektu and Partisan Lines

There are two important family lines in North Korea -- the Mt. Paektu line, or royal

blood line descending from Kim Il-sung, and the Partisan lineage, which refers to descendants of Kim Il-sung's colleagues during his struggle against colonial Japan. The latter is said to be made up of those who protect the Mt. Paektu line and include Choe Ryong-hae, director of the General Political Bureau of the (North) Korean People's Army, who emerged as the number two man in the socialist country following the execution of Jang.

In late December last year North Korea's state media urged people to rally around the monolithic leadership of Kim Jong-un as the country marked the second anniversary of Kim's rise to power as the top military commander.

Kim became the supreme commander of the 1.1 million-strong military as he took over the country in late 2011 after his father and long-time leader Kim Jong-il died suddenly of a heart attack.

The Rodong Sinmun recently urged North Koreans to rally around Kim, calling his promotion to the military's top job the biggest revolutionary event in the country.

The appeal came weeks after a political upheaval in the communist nation during which the North executed the leader's uncle on charges of treason. Jang had long been considered the North's No. 2 man and the leader's regent.

Kim boasted in his New Year's speech that the purge of anti-party and counterrevolutionary factionalists has strengthened the party.

With North Korea experts saying the purge of the ranking official was likely aimed at consolidating the young Kim's grip on power, the state-run media have since dialed up lavish praise of Kim and appealed to the people to unite around Kim, the inheritor of the Mt. Paektu bloodline. He has been referred to as "another illustrious commander" of Mt. Paektu and "the most distinguished brilliant commander in our era."

The North claims the mountain, the highest peak on the Korean Peninsula and located on the Sino-North Korean border, is the sacred birthplace of Kim Jong-il.

Historians and foreign officials, however, have said Kim Jong-il was born in Russia, not Mt. Paektu.

Critics also say the North's attempt to idolize Kim Jong-un as the pure blood of the Mt. Paektu bloodline is flawed because his mother Ko Yong-hui was born and raised in Japan and her father Ko Kyong-taek was from South Korea's Jeju Island.

Moreover, Japan's Sankei Shimbun reported in February 2012 that Ko Kyong-taek worked for a Japanese factory after he moved to Japan in 1929. He worked for a munitions factory under Japan's army in Osaka, during Japan's colonial rule of

Korea, according to the daily.

In what could be a move to further consolidate Kim's power base, North Korea nominated Kim, the supreme commander of its army, to run for the North's rubber-stamp legislature election in March.

Mt. Paektu Constituency

Kim "was nominated as a candidate for deputy to the 13th Supreme People's Assembly (SPA) in reflection of the unanimous desire and absolute trust of all the service personnel in him," the (North) Korean Central News Agency (KCNA) said in a dispatch on Feb. 4.

What is noteworthy is that Kim has been nominated as a candidate from the Paektusan (Mt. Paektu) No. 111 Constituency.

"A meeting of the electorate took place with splendor at Paektusan Constituency No. 111 on Feb. 3 to nominate Kim Jong-un as a candidate for deputy to the 13th SPA," the KCNA said.

Choe said in a report that "the path covered by the DPRK under the leadership of the Songun (military-first) commander of Mt. Paektu is a sacred path in which it emerged victorious by dint of the spirit, pluck and gut of the supreme commander," according to the KCNA.

The KCNA said Choe proposed nominating Kim as a candidate for deputy to the 13th SPA and the top North Korean military officials expressed full support for nominating Kim. The election is set for March 9.

A government source said the No. 111 electorate may be an army unit near Mt. Paektu. Although the SPA is a rubber-stamp organization, it comprises almost all

key members of the North's elite. Late leader Kim Jong-il was elected uncontested in past elections.

Analysts said North Korea will likely use the upcoming elections as an opportunity to eliminate or sideline supporters of Jang Song-thaek.

The KCNA also reported that North Korea's key youth organization and the trade union discussed ways to firmly establish Kim's monolithic leadership.

North Korean state media have frequently supported the monolithic leadership of Kim. On Feb. 7 meetings to pledge loyalty to the North Korean leader took place in front of Kim Jong-il's birthplace at a secret camp in Mt. Paektu to celebrate the anniversary of his birth.

Meanwhile, North Korea has recently started to disseminate propaganda about a "revolutionary battle site" at Mt. Madu in Anju, South Phyongan Province, in an apparent move to justify the power succession.

The KCNA reported on Jan. 23 that Kim Jong-un visited the site built as a secret base in the period of the anti-Japanese armed struggle. It said the site was a base for regional leadership and an important location for military operations in the western part of Korea.

North Korea watchers here said North Korea will likely to use the Mt. Madu battle site as a means of idolizing the Mt. Paektu family by portraying the mountain as a sacred place like Mt. Paektu.

"The area of Anju where the revolutionary battle site is located was an important operational area for greeting the great event of national liberation," the KCNA quoted Kim as saying. (Yonhap)

N. Korea's ideology system

Marking the 40th anniversary of the proclamation of its key leadership ideology, North Korea called for loyalty to its leader Kim Jong-un on Feb. 19.

In 1974, Kim Jong-il, the former leader of the communist country and incumbent young leader's father, introduced the monolithic ideological system that calls for modeling the whole society in accordance of the sole leadership under the Kim family.

The former leader also inherited power from his father and the country's founding father, Kim Il-sung.

The rule also outlines the importance of unconditional obedience to the Kim family and actions required to be taken by the country as a whole to express allegiance. It has since served as the basis for the country's key leadership ideology.

Calling for the achievement of "the great cause of Mt. Paektu under the leadership of Marshal Kim Jong-un," the North stressed the importance of ideology education on the people "to make them key members of spreading the ideology."

Every North Korean is taught to pledge loyalty to each generation of the Kim family, known in the communist country as the Mount Paektu bloodline, that has run the country since its founding in 1948. Mount Paektu, located on the Sino-North Korean border, is the highest peak on the Korean Peninsula. (Yonhap)

THE NORTH KOREAN MILITARY SYSTEM FOR GUIDANCE AND COMMAND: FOCUSING ON THE TRILATERAL RELATIONSHIP INVOLVING THE PARTY, STATE AND ARMY

I. Introduction

This paper is aimed at investigating a change in the North Korean military system for guidance and command, as well as its characteristics. In their studies of military affairs in North Korea, many scholars in Seoul and elsewhere have placed emphasis on a political issue regarding the relationship between the Workers' Party of Korea (WPK), the North Korean version of the Communist Party (mentioned simply as "the Party" below), and the Korean People's Army in the North (KPA, mentioned simply as "the Army" below). But this paper underlines the role played by high military organs and the relations between them. The "military-first politics" and the Army, along with the Party, have played a leading role in the Kim Jong-il regime, which was launched soon after the death of the North's founding leader, Kim Il-sung, in July 1994 while North Koreans were making a "painful march under trials." The quintessence of a change in the North Korean political arena touched off by the "military-first politics" in the Kim Jong-il era resulted in the elevated status and increased role of the Army although the Party still had more influence. During the period, the North took measures to reinforce the National Defense Commission (NDC). The North Korean society dominated by the military-first politics encouraged the Army to assert its role across the board. These developments were unlikely ascribable to a change in relationship between the Party and the Army, or a weakened status of the

By Kim Dong-yub,
*Research Fellow at the Institute
for Far Eastern Studies in
Seoul, Korea, institute under the
umbrella of Kyungnam
University*

Party, but to the behavior of the top leader to strengthen the Army's role while he was fully in charge of the Army.

Many North Korea watchers think the NDC is the top military organ in the North and that the Ministry of People's Armed Forces (MPAF) under the direct control of the NDC is playing a pivotal role in the chain of command. They also believe that the General Staff (GS) and the General Political Bureau (GPB) of the Army are under the command of the NDC, and some of them even think that both the GS and the GPB are under the umbrella of the MPAF. On the other hand, they view the supreme commander and the supreme command of the army as wartime military organs, and exclude them from the North Korean military system for guidance and command in time of peace. Despite North Korea being a state ruled by the Party, the watchers have neither evaluated the Party Central Committee (PCC) or the Party Central Military Commission (PCMC) as military-related organizations, nor included them in the North Korean military system.

These misunderstandings of the North's military system for guidance and command are also found in the Defense White Paper published annually by South Korea's Ministry of National Defense.¹⁾ The Paper published in late December 2012, for instance, carries a table for the North Korean military chain of command mistakenly placing the GPB, the GS and the MPAF in parallel with each other under the umbrella of the NDC. The table is drawn as if the GS, which serves virtually as a hub of the Army, and the PCMC, which is under the umbrella of the PCC, are under the direct command of the NDC. Moreover,

there is no description of the supreme commander, which is the North Korean leader's unique means of commanding the Army, nor that of the PCMC, the Party's organization for collective guidance of the Army.

In appearance, the MPAF in North Korea corresponds to the Ministry of National Defense in South Korea. But they are very different from each other in terms of their functions, authority and status. In the inter-Korean military meetings held in 2000 and 2007, the North Korean counterpart of the South's defense minister was the minister of the People's Armed Forces. But in terms of their authority, the North's minister is very different from his South Korean counterpart, who has the authority for both military administration and command.

In North Korea, there is no clear division between military administration and military command unlike in the South. Instead, the military projects in the North are divided into two categories: the one to be undertaken by the Army itself and the other by the Party. For this reason, we need to approach the North Korean military system in terms of guidance²⁾ and command, and not in terms of military administration and military command.

Probably, North Korea watchers' curiosity and key discussions about the North's military system for guidance and command regard the real nature of the North's military organs and relationship between them. For this reason, in an encouraging development, some scholars in the South are engaging in studies of the chain of command in the North Korean military, which are critical of the "incorrect" view shown in the Defense White Paper.³⁾ This paper will

also closely examine the status of military organs in the North and their relationship, based on their functions, missions, roles and authority, and clarify who controls the Army, in an effort to present an alternative model of the North Korean military system for guidance and command.

II. Functions and Status of North Korean Military Organs

1. Functions of Top Military Organs for Guidance and Command, Plus Their Relationship

In North Korea, the *suryong*, referring to the absolute leader, has three ways to control the Army: personal means of commanding the Army in his capacity as supreme commander, a collective means of guiding and commanding the Army in his capacity as chairman of the PCMC, and a collective means of guiding the Army in implementing Party policies in his capacity as chairman of the NDC. The *suryong*'s three ways of guiding and commanding the Army are an integral part of knowledge necessary for understanding the North Korean military system for guidance and command today. The office of the supreme commander is meant for the *suryong*'s unique authority to command the Army, and the supreme command is the unique organ for the *suryong*'s authority to command the Army. The supreme leader issues an order of the supreme commander when he needs to make a decision rapidly or take a measure on a simple matter. But he convenes a meeting of the PCMC to make

decisions on matters requiring collective consultation such as mid- and long-term military policies, a war plan and a system for the successor-designate's military leadership.⁴⁾

In the Kim Jong-il era, the PCMC was the most powerful organ next only to the PCC as far as military guidance is concerned.⁵⁾ The NDC, whose influence has been overestimated by many North Korea watchers in Seoul, probably ranked third.⁶⁾ The late former North Korean leader, Kim Jong-il, guided the Army in his capacity as supreme commander, not as NDC chairman.

The Party has entrusted the PCMC with the job of exclusively dealing with all military affairs.⁷⁾ Through a revision to its charter in 2012, the Party elevated the PCMC's status institutionally while furnishing it with manpower necessary for commanding the Army and drafting military policies. Today it is the highest standing collective organ for guiding the Army and the office of its chairman is naturally held concurrently by the general secretary of the PCC, the top office in the Party, according to Article 22 of the Party charter. Mentioning its authority and missions, Article 27 of the charter stipulates that the PCMC "organizes and guides all programs in the military at the Party level" and "discusses and decides measures for implementing the Party's military lines and policies," adding that, "In particular, it is entrusted with the job to reinforce the revolutionary armed forces and guide the whole of programs for national defense at the Party level." This indicates that the PCMC is superior to the NDC and MPAF, and has the authority to guide them. Noteworthy is the point that

unlike in South Korea where the concept of military affairs is subordinate to that of national defense, in North Korea, a state ruled by the Party, the concept of national defense is not superior to that of military affairs and the former does not comprise the latter. On the contrary, in the North the term “military affairs” has a more comprehensive meaning than the term “national defense.” A North Korean dictionary says: “The term, military affairs, regards army troops, national defense and war.”⁸⁾ The reason for this is because if national defense is defined as a term superior to military affairs, the PCMC or the Supreme Command can be naturally an organ lower than the NDC. In other words, because the PCMC is defined as the highest military organ by the Party charter, it is proper to view the NDC as the highest state organ for national defense.

Although the NDC is working under the guidance of the PCMC, the NDC today is probably the state organ entrusted by the PCMC with the job of dealing with the specific arena of the military, sharing the job with the PCMC rather than a state organ under the control of the PCMC. But the NDC, as a constitutional organ, is required to place priority on the guidelines and leadership of the Party because the North is a socialist state ruled by the Party.⁹⁾ The PCMC has dealt with important issues related with national defense such as ones regarding war and peace, and preparations for wartime since the NDC was reinforced in September 1998 when the Kim Jong-il regime was launched officially after a four-year mourning period for Kim Il-sung. A sweeping majority of North Korea watchers in Seoul hold the view that since the

reshuffle of the NDC in a session of the Supreme People’s Assembly (SPA), the North’s rubber-stamp parliament, held in September 2009, the NDC has not served simply as a state organ, but as the most powerful organ comprising key senior officials of the Party, the Army and the Cabinet, and dealing with the whole of state affairs.

Although the NDC chairman is the top state office in charge of national defense affairs, it would be proper to think that practical military powers regarding the right to command the Army are exercised by the supreme commander. Kim Il-sung had the authority to command the Army in his capacity as state president, but he never issued any order regarding this right. Article 102 of the North Korean constitution stipulates, “The chairman of the NDC directs and commands all the armed forces and guides defense affairs as a whole.” This is unlikely aimed at stressing the rights of the NDC chairman while concurrently serving as supreme commander, but instead, it shows the prerogative of the NDC chairman for commanding the Army.

2. Working-level Military Organs for Guidance and Command, and Their Relationship

The GPB, the GS and MPAF, which virtually are working-level organs of the Army for guidance and command, are not included in the chain of command for the Army. The GPB exercises its formidable influence only with its Party-based authority. In general, socialist states administer their army under a dual command system furnished with an organ under the chain of

command and another one of a political nature. The North also has a Party organ for controlling the Army, both in the Party and the Army. They are the PCMC in the Party and the GPB in the Army. In other words, the GPB in the Army is an organ that practically takes the Party's measures to control the Army. North Korea began to establish a Party organ in the Army under a decision made by the PCC in October 1950, four months after it triggered the three-year Korean War. It realigned political organizations in the Army from April 1956 to September 1961 in an effort to intensify the Party's guidance of the Army. It established a Party committee in the Army in 1958 and clarified its regulations in the Party charter in the fourth Party congress held in September 1961.

During the Kim Il-sung era, the GPB had a pivotal role for political, ideological control of senior Army officers and the removal of factionalism in the Army. In the Kim Jong-il era, it continued to engage in the work to arm all servicemen with socialist ideology through more intensive political education programs. In other words, the GPB played a significant role in the Army to indoctrinate all servicemen with the belief: "The people's army is the Party's army since the first day of its inauguration." This mission and role of the GPB will undoubtedly remain unchanged down the road.

North Korea's version of the defense ministry was inaugurated in the name of the Ministry of National Security (MNS) in September 1948 when North Korean Communists established their socialist state, officially called the Democratic People's Republic of Korea in September

1948. The ministry was renamed the MPAF in a constitutional revision made in December 1972. The ministry was under the umbrella of the Administration Council until April 1982 when it was placed under the direct control of the Central People's Committee. Since 1990, it has been under the guidance and control of the NDC. In appearance, it is similar to the Ministry of National Defense in South Korea because it engages in military diplomacy and administration. Functionally, however, it greatly differs from the South Korean ministry; it has no authority to control the GS and the PCMC. At present, the status of the MPAF is much weaker than in the past and is representing the Army in relations with foreign countries while engaging in logistical services. For this reason, the Logistical Bureau is playing a pivotal role in the ministry.

But it would not be true to say that the MPAF did not secure the authority to command the regular army from the onset. The dominating view among North Korea watchers in Seoul is that its role has weakened since the death in February 1995 of Marshal O Jin-u who served as director of the GPB since 1967 and as minister of the People's Armed Forces in 1976. Choe Yong-gon, Kim Kwang-hyop, Kim Chang-bong, Choe Hyon and Choe Kwang were among the top brass of the Army while they were serving as the minister of national security and minister of the People's Armed Forces. And six of the Army leaders who have served as the aforementioned minister had been chief of the GS before they were appointed to the office of that minister.¹⁰⁾ It is unclear when the function and role of the ministry weakened. But already in the days of the Ministry of

National Security, Kim Il-sung said that such military activities as the movement of a large troop can not be ordered by the minister of national security but only by the Military Commission in the PCC or the supreme commander of the Army.¹¹⁾

Actually, the GS is in charge of military operations and under the command of the supreme commander. The GS, which is under the complete control of the Party, probably corresponds to the Joint Chiefs of Staff in South Korea because it has the authority to command the Army. Until the early 1970s, there was no clear division between the MNS and the GS although in the table of the Army's organization the GS was under the umbrella of the ministry. But already in the latter half of the 1960s Kim Il-sung had commanded the Army through the GS and not through the ministry. That elder Kim's behavior was followed by his son Kim Jong-il. And there is no change in the chain of command in the Army, where the chief of the GS is directly connected with the supreme commander. In other words, the GS has no relations with the MPAF in the chain of command.

Accordingly, all units of the Army are under the command of the chief of the GS and not under that of the minister of the People's Armed Forces. But even the GS cannot interfere with political programs of the Party, projects for safeguarding the leader and programs for senior officers, which are under the control of the GPB. And the GPB is virtually in charge of the military administration because it is in charge of personnel actions for key senior officers of the Army.

In power ranking, the director of the GPB is also higher than the chief of the GS

and the minister of the People's Armed Forces as evidenced by the fact that in the list of VIPs attending key functions in the North, the GPB chief is usually followed by the GS chief and that minister. The power ranking, however, is not a cure-all because personal influence of some people can hardly be ignored. And despite the power ranking, neither the chief of the GS nor the minister of the People's Armed Forces is under the command of the director of the GPB.

Although the North Korean constitution defines the NDC as the "highest military leading organ of state power and an organ for general control over national defense," the NDC is not a policymaking organization, but is a state organization which implements military-related policies and guidelines decided by the PCC and the PCMC. For this reason, in appearance, the status of the MPAF under the NDC is in parallel with that of the GPB and the GS, but actually its powers and status are inferior to them. The GS enforces orders of the supreme commander who is in charge of the whole regular army, and the GPB is in charge of military administration, which regards personnel actions and political programs, while the MPAF is in charge of logistical service and finances, and represents the Army in external relations.

III. The Formation of the North Korean Military System for Guidance and Command, and Its Change

1. The Process of Forming the System

The process of establishing the Party and the Army proceeded in close mutual relations.¹²⁾ The Army has taken a significant position in the North Korean socialist regime since its inauguration in 1948 until today. This is because the Party has served as the source of the ruling power for the top leader in the regime and the Army has served as a strong resource that backs up his ruling power.¹³⁾ Starting superficially as an army of the state in the early days after its creation on Feb. 8, 1948, the North Korean army, officially called the Korean People's Army, was transformed into an army of the Party and finally into an army of the *suryong*, a tool that Kim Il-sung used to rule the socialist country in the northern half of the Korean Peninsula.

The Army developed its specific system for military guidance and command proper for the political system of the North Korean regime based on the military system of the former Soviet Union and lessons learned from its experience fighting alongside the Chinese in the Korean War. Like the former Soviet Union and China, North Korea has continued to maintain a political system that gives priority to the Party rather than the state. The former Soviet Union served as a patron of North Korean communists and had great influence over the North Koreans when they established their socialist regime. For this reason, their power hierarchy and system for military guidance and command were mostly modeled after the Soviet ones.¹⁴⁾

We can hardly define the North Korean army before the Korean War as an army of the Party because there was no Party orga-

nization in the Army at the time. It is possible that Kim Il-sung controlled the Army in his capacity as chairman of the PCC after the inauguration of the Party following a merger between the Workers' Party of South Korea and the Workers' Party of North Korea in June 1949. But there is also the view that Kim Il-sung commanded the Army in his capacity as premier of the Cabinet. In other words, he commanded the Army probably through the chain of command, which connected him with the minister of national security and the chief of the GS. Then political programs in the Army were carried out by the Cultural Training Bureau under the MNS, not by the Party. In my estimation, the chief of the GS virtually exercised the authority for operational command of the Army when the North Korean regime separated the mission of the GS from that of the ministry while preparing for the Korean War. Probably, however, the chain of command connecting the minister of national security and the chief of the GS has been maintained for a certain period even after the North established the Supreme Command of the Army following the start of the Korean War in June 1950.

The present aspect of the Army can be called a product of the Korean War. In the early stage of the war, the role of the Army was shared by three key organs in a move to promote its efficiency. Namely, the Political Committee of the PCC, also known as the Politburo, dealt with the matter regarding the Army's relations with foreign countries and the North's civilians, plus war strategies; the supreme commander, with military operations and command; and the Military Commission of the

PCC, with the relationship between servicemen and civilians, and logistical services. Strictly speaking, however, the war guidance system of the North was a supreme commander-oriented system under which the PCC and its Military Commission fully support the supreme commander who bears the responsibility for commanding all of the armed forces. Kim Il-sung was to directly command the GS through the Supreme Command in his capacity as supreme commander. Administratively, the MNS was higher than the GS. But the ministry was excluded from the chain of command and dealt with logistical services under the command of the Military Commission when the GS was placed under the umbrella of the Supreme Command, which was established early on in the war. And with the establishment of the North Korea-China Joint Command, Kim could not command the North Korean army in military operations despite his status as its supreme commander. But he established the GPB only as a way to strengthen the Party's guidance of the Army. We can't believe that the North turned its army into the Party's army at that time, but we can think that the GPB laid the groundwork for changing the Army in that direction.

North Korea established the NDC institutionally for the first time in December 1972 in a constitutional revision. In the sixth Party congress held in October 1980, Kim Jong-il, who was designated as successor to his father Kim Il-sung in a secret plenary session of the PCC held in February 1974, was named one of the five members of the Politburo Presidium only to declare his status as successor-designate. And the junior

Kim with no military background became a member of the Military Commission only to secure the authority to guide and command the Army. In other words, Kim Jong-il virtually commanded the Army after October 1980, eleven years before he became supreme commander in December 1991. He was decorated with the highest military rank of the "republic's marshal" in April 1992 and became NDC chairman a year later. This means he could demonstrate his leadership and influence over the Army without any Party office related with the Army.

2. A Change in the North's Military System for Guidance and Command in the Military-first Era

Long before the death of Kim Il-sung, the state army of the North was positioning itself as the suryong's and successor-designate's army and began to unswervingly function as a tool for maintaining their regimes, and not as one of the Party's machines for ruling the country. The status and role of military organs in the North has changed in line with a change in the nature of the Army. The North's military system for guidance and command was formed and changed to meet political demand, rather than military demand. As shown well in the course of demonstrating the military-first politics in the Kim Jong-il era, since the mid-1990s, the Army functioned as a driving force in campaigns for overcoming crises facing Kim's regime.

According to various North Korean documents, the role of the Army is aimed 1) at safeguarding the suryong even at the cost of servicemen's lives, 2) at safeguarding

the state and 3) at promoting economic construction of the country. To mention in more detail, the role of the Army gave priority to safeguarding the suryong before 1998 followed by prioritizing safeguarding the state and promoting economic construction, and the activities to promote economic construction thereafter, and then again on the mission to safeguard the leader late in the first 10 years in the 21st century after the emergence of Kim Jong-un as a successor-designate after Kim Jong-il had a stroke in 2008.

This change in the Army's role has resulted in a change in the military system for guidance and command. In particular, throughout the military-first era, the role in that system was shared by some organs, with the supreme leader at the top. The reinforcement of the NDC brought about a breakaway from the Army's traditional role and its abnormal expansion to the economic arena.

IV. The Current North Korean Military System for Guidance and Command

"Political power grows out of the barrel of a gun," said Mao Zedong, the founding father of the People's Republic of China. North Korean leaders' perceptions of the military were not different from Mao's. The North Korean army is a military institution of a political nature, rather than a pure military one. It serves in the North as "the armed forces of the revolution, main forces of the revolution and construction," and "a ruling tool for the Party that is a hub of the revolution." But it does not serve the Party.

Instead, it serves the suryong as a means of ruling because the Party has turned into a private possession of the suryong. For this reason, "The stability and lasting of a hereditarily succeeded regime equals the stability of the Party and the state, and heralds their bright future." Accordingly, the nature of the Army as well as its system for guidance and command have changed in line with the political situation facing the North. The military-first era did not originate in a change in relationship between the Party and the Army, or an elevation of the Army's status, but the homogeneous harmony of key military organs with the supreme leader at the top and their role branching out into the economic arena. Plus, the supreme leaders' intensive control of the Army aimed at using it to play the role demanded by the leader.

North Korea has a military system for guidance and command under which the supreme leader can easily control the Army and the Army can support the actions of the state, which means executive actions exercising the sovereign power of the country. The system developed under the ruling of Kim Il-sung and Kim Jong-il in a way that helps the supreme leader control the Army in three areas: 1) He is in charge of the Army in his capacity as general secretary of the PCC and chairman of the PCMC, 2) he is in charge of operational command in his capacity as supreme commander, and 3) he is in charge of military administration and the defense economy in his capacity as chairman of the NDC.

As far as military affairs are concerned, the PCMC can be viewed as the supreme organ for guidance. The NDC is not given the right to command the Army, the inte-

gral part of military affairs. Accordingly, it is correct to think that the NDC deals with military affairs related with the MPAF under its control and some other matters under the guidance of the PCMC and entrusted by the PCMC. The supreme commander commands all of the armed forces, including the GS, and the NDC chairman deals with military affairs, which have nothing to do with the right to command the Army.

In a national emergency, the supreme commander plays a leading role in military affairs, and the NDC chairman's job is to assist the supreme commander. Then like during the Korean War, the North Korean regime is placed under a situation beyond the law where the country is ruled by one man, namely the supreme commander. This writer's view is that in times of peace the GS acts for the Supreme Command, whose real existence is not ascertained in peace time and that the Supreme Command is formed only in a national emergency. There is no clear division between military administration and military order in the North. It is not proper to think that the NDC deals with military administration through the MPAF and that the supreme commander exclusively deals with military orders. It is proper to approach the North Korean military system with the concept of guidance and command, and not that of administration and orders.

The new young North Korean leader, Kim Jong-un, also is dealing with key military policies and personnel decisions for senior army officers in his capacity as the first secretary of the PCC and chairman of the PCMC. Kim also guides the MPAF, the Ministry of People's Security and the

Ministry of State Security in his capacity as first chairman of the NDC. He also commands the Army in his capacity as supreme commander. This is the aspect of the North Korean army today, which regards the military system for guidance and command, among other things.

V. Conclusion: The Kim Jong-un Regime and the Future of the Military-first Politics

When former North Korean leader Kim Jong-il died abruptly on Dec. 17, 2011, the power transfer to his third son Kim Jong-un proceeded at a rapid pace and in a stable way. The young Kim was named the supreme commander of the Army in a meeting of the Politburo held on Dec. 30 that year, less than two weeks after senior Kim's death. In the fourth conference of Party representatives held on April 11 the next year, he was elected the first secretary of the PCC, the top office in the Party, and in the fifth session of the 12th-term SPA held two days later, he became the first chairman of the NDC, the highest post in the commission, which had served a top governing office in the North in the Kim Jong-il era. The late Kim is honored as the eternal NDC chairman and eternal general secretary of the PCC, while Kim Il-sung is honored as the eternal state president.

How can the North Korean regime be maintained despite the abrupt death of its former leader, with his youngest son Kim Jong-un in his late 20s being left as successor-designate? This is a question that has been raised by many North Korea watchers in Seoul and elsewhere. There was no

socio-political unrest in the North, probably not only because of the strong Chinese support but because of the normal function of the Party and the Army. For the Army's role to control a political crisis in the North, first, the supreme leader is required to place the Army under his complete control and to prevent the Army from turning against him, and second, he can transplant the military culture in the political, social, economic and other sectors in the North. In other words, while the senior Kim was alive and in charge, the North had already realigned the military system for guidance and command in a move to place the Army under the young Kim's control. To this effect, Kim Jong-il decorated his 20-something son with the military rank of general on the eve of the third conference of the Party's representatives held on Sept. 28, 2010 to declare the young Kim's status as successor-designate. The current North Korean military system for guidance and command is a legacy of the Kim Jong-il era. North Korea watchers' correct understanding of the Army yesterday and today, in particular its system for guidance and command, is essential to predicting its aspects in the future.

In what ways will the results of Kim Jong-un's effort to control the Army and overcome the military-first politics appear? How will he manage to overcome the excessive militarism prevailing in the North in recent decades? Answers to these questions will serve as criteria for observing the Kim Jong-un regime in the future. It is too early to judge whether or not the various changes taking place in recent years are the results of strategies or tactics of the Kim Jong-un regime. In particular, it is too

early to judge whether or not Kim Jong-un regime's attempt to escape militarism under the policy for pushing ahead simultaneously with both the construction of the economy and that of nuclear forces will be successful. Probably the Kim Jong-un regime is slowly shifting the North's policy priority on military-first policies under the Party's control in the Kim Jong-il era to that on the Cabinet-oriented economy under the Party's control while just showing off the military-first principle nominally and trying to virtually shake off the yoke of that principle. The Kim Jong-un regime will maintain the military system for guidance and command, which is necessary for its complete control of the Army. And it will fill the key posts in the system with senior officers who can maintain it.

(This is an excerpt from the paper written in Korean and carried in the *North Korea Studies Review*, Vol. 17, No. 2 (winter of 2013), a journal published by The Korean Association of North Korea Studies.)

Notes:

- 1) The table on the North Korean military system for guidance and command carried in the 1967 edition of the Defense White Paper published by the Ministry of National Defense is the oldest data on that matter held by the ministry. The Standing Committee of the Supreme People's Assembly is at the top of the table, followed by the premier of the Cabinet, minister of national security and chief of the General Staff, below ranked on the same level

- are the General Staff, the Political General Bureau, the Logistical General Bureau and some other administration organs, plus the headquarters of the army, air force and navy. The Political General Bureau is meant for the General Political Bureau today. Misunderstandings of the military chain of command in the North still prevailing in South Korea originated probably in this table where the General Political Bureau was placed under the Ministry of National Security.
- 2) The Publishing House of Social Sciences, *The Grand Korean Language Dictionary, Vol. 2*, p. 1588.
 - 3) Recent studies of the matter include: Cheong Seong-chang, "The status, role and elite of the National Defense Commission in the Kim Jong-il Era," *Sejong Policy Studies, Vol. 6, No. 1* (Seongnam, The Sejong Institute, 2010), cf.; and Cheong Seong-chang, "A Studies of Comparison between the Party Central Military Commission in North Korea and that in China: Focusing on Its Status and Role, Plus the Question of Leadership Succession," *Sejong Policy Studies, August 2013* (Seongnam, The Sejong Institute, 2013), cf.
 - 4) *The Chosun Ilbo*, Dec. 23, 2011.
 - 5) The decision to honor Kim Jong-un as supreme commander, the top post in the Korean People's Army, was made in a session of the Political Committee of the Party Central Committee, also known as the Politburo, held on Dec. 30, 2011. The decision to relieve Ri Yong-ho, the second most powerful man in the North Korean military next only to Supreme Commander Kim Jong-un, from all posts in the North was also made in a session of the Politburo held on July 15, 2012.
 - 6) *Rodong Sinmun*, Dec. 20, 2011.
 - 7) *The Korean Central Yearbook 1991* (Pyongyang, The Korean Central News Agency, 1991) p. 96.
 - 8) The Publishing House of Social Sciences, *The Grand Korean Language Dictionary, Vol. 1*, p. 490.
 - 9) In the preface of the North Korean constitution revised in September 1998, North Korea declares: "The Democratic People's Republic of Korea (DPRK) will defend and carry forward great leader Comrade Kim Il-sung's ideas and exploits and complete the Juche revolution under the leadership of the Workers' Party of Korea..." And Article 11 of the constitution stipulates: "The DPRK will conduct all activities under the leadership of the Workers' Party of Korea." For this reason, the North will unlikely change its Party-oriented system in the near future.
 - 10) Ham Tae-young, "A Dilemma Facing North Korea in Its Policy to Construct the Economy and Nuclear Weaponry at the Same Time," *Lectures on Modern North Korea Studies* edited by Jang Dal-jung (Seoul, Sahoipyounghon, 2013), pp. 193-195.
 - 11) Kim Il-sung, "About Several Political, Military Tasks in Current Situation Facing the Korean People's Army: The Conclusion Made in the Meeting of Battalion Commanders, Political Deputy Battalion Commanders, Chiefs of Battalion Branches of the League of Socialist Working Youth (on Oct. 27, 1969)." *A Collection of Selected Works of Kim Il-sung, Vol. 24* (Pyongyang, The Publishing House of the Workers' Party of Korea, 1980), p. 284.
 - 12) Among the studies on the process of formation of the North Korean army are: Jang Myung-soon, *Studies on the North Korean Military* (Seoul, Palbokwon, 1999); Joseph S. Bermudez, Jr., The Armed Forces of North Korea, translated by Kim Kwang-soo, *The Structure of and Changes in the North Korean Army* (Seoul, Gold Egg, 2007); and Jeong Seong-im, "The Status, Organization and Role of the Korean People's Army," *The Party, State Organizations and the Army in North Korea* published by the Sejong Institute (Paju, Hanul, 2007), cf.
 - 13) Suh Dong-man, "The Historical Formation of Relationship between the Party and the Army in North Korea: Focusing on the Period from the Army Inauguration to Right before the Korean War," *Studies of Diplomacy and Security, No. 2* (Seoul, The Institute of Foreign Affairs and National Security, 1997), pp. 267-270.
 - 14) Lee Dae-geun, "The Function of the North Korean National Defense Commission: Implications from Its Comparison with the Similar Organs in the Soviet Union and China," *Studies of National Defense, Vol. 47, No. 2* (2004), pp. 149-172.

N. Korea's food situation better a tad in 2013: WFP

SEOUL (Yonhap) -- The food situation for North Korean people improved slightly last year thanks to increased food rations and more outside support, a report by the World Food Programme (WFP) said on Feb. 14.

According to the WFP report, about 46 percent of North Korean families consumed an "acceptable" level of essential nutrients in the October-December period of 2013.

About 17 percent were categorized as having "poor" food consumption, while the rest, about 38 percent, were defined as at the "borderline" level.

Ex-U.S. envoy visits Pyongyang: report

SEOUL (Yonhap) -- Donald Gregg, a former U.S. ambassador to South Korea, arrived in North Korea, APTN reported on Feb. 10, a trip seen to help facilitate the release of a Korean-American man detained there.

Gregg was accompanied by a group of four representatives of the Pacific Century Institute, a U.S. civic group, it showed.

His visit comes as the reclusive country revoked its invitation for a U.S. special envoy to visit Pyongyang for talks on Kenneth Bae.

N. Korea's crude oil imports from China rise 11.2 pct in 2013

BEIJING (Yonhap) -- Shipments of crude oil to North Korea from China increased 11.2 percent on-year in 2013, a South Korean government report showed on Feb. 10, the latest sign that Beijing still gives Pyongyang access to the vital commodity despite its defiant pursuit of nuclear weapons.

North Korea imported a total of 578,000 tons of crude oil from China last year, compared with 520,000 tons in 2012, according to the report based on China's customs data.

Monthly shipments of crude oil from China to North Korea were absent in February, June and July last year, but Beijing exported "a large amount of crude oil" to Pyongyang in the second-half of last year, the report said.

N. Korea cancels this year's Arirang Mass Games: travel agency

SEOUL (Yonhap) -- North Korea has canceled the annual Arirang Mass Games for the first time in eight years for unknown reasons, a China-based travel agency said on Feb. 7.

Designed to extol the governing Kim family, the massive gymnastics and arts performance was first held in 2002, the year marking the 90th birthday of North Korea's late founder, Kim Il-sung.

The event has taken place every year since 2005, except in 2006 when the country suf-

ferred from severe flooding, and are a popular spectacle in the reclusive country.

Son of top N. Korean official treated in Singapore: report

TOKYO (Yonhap) -- The son of North Korean leader Kim Jong-un's key confidant has received medical treatment in Singapore to restore hearing, a news report said on Feb. 7.

Choe Hyon-chol, son of North Korean military's top political officer Choe Ryong-hae, underwent treatment in the city state last month, Japan's Mainichi Shimbun newspaper reported from Beijing, without identifying a source. The newspaper also reported that Kim has given US\$100,000 to help cover the costs.

The junior Choe, an official of the ruling Workers' Party, had a traffic accident in North Korea in September last year, the newspaper said, citing unidentified North Korean officials in China and Singapore.

N. Korea world's lowest in democratic, economic development

SEOUL (Yonhap) -- North Korea has ranked near the bottom among the world's developing countries in terms of democratic development and the level of transition to a market economy, a German report showed on Jan. 29.

According to the 2014 Transformation Index (BTI) drawn by a German think tank Bertelsmann Stiftung, North Korea stood at 127th out of 129 developing countries in terms of democratic and economic development.

The BTI evaluates the quality of democracy, market economy and political management in 129 developing countries based on such data as the rule of law, social integration, currency and welfare regime, according to its website.

N. Korean imports of Chinese grain up 5.9 percent last year

SEOUL (Yonhap) -- North Korea's imports of Chinese grain increased 5.9 percent in 2013 from a year earlier, a South Korean think tank said on Jan. 27.

The Korea Rural Economic Institute in Seoul said Pyongyang's imports of Chinese flour, rice, corn and other grain products reached 298,257 tons in 2013, compared with 281,633 tons a year earlier.

North Korea's food production is estimated to have been at about 5.03 million metric tons in 2013, up 5 percent from the previous year, the U.N. World Food Program said in November.

Fuel ration seems to have been dismantled in N. Korea: report

SEOUL (Yonhap) -- A fuel ration system in North Korea seems to have been dismantled

due to a chronic fuel shortage, a report said on Feb. 3.

The report by the state-run Korea Energy Economics Institute (KEEI) said a majority of households in North Korea secure their fuel for heating and cooking on the black market or by themselves, hinting that the country's fuel ration system might have been scrapped.

The report was made on the basis of data compiled from a poll of 350 North Korean defectors who fled the country after 2011.

U.S. investor Jim Rogers still expects bonanza from N. Korea

WASHINGTON (Yonhap) -- Jim Rogers, a high-profile American investor, still believes North Korea is one of the most promising investment spots in the world.

Speaking at road shows in Europe in January, he said he is willing to bet all of his money on the communist nation, according to the Voice of America.

"Another country in Asia that I'm extremely optimistic about, I'll put all of my money there if I could, is North Korea," Rogers said in Britain on Jan. 21.

He is apparently not optimistic of the North Korean economy itself; North Korea is under strong U.N. sanctions.

But he expects the sharp appreciation of North Korea's assets in the event of reunification with South Korea.

Rogers claimed there are some positive indications from the North under the leadership of Kim Jong-un, 31, who was educated in Switzerland.

"I'm extremely excited and optimistic about what's happening in North Korea. There's virtually no way for me as an American, especially, to invest there, but if I could I'll put all of my money there," he said at an event in Norway on Jan. 8.

Cheap labor costs, low rent key advantages of Kaesong complex: poll

SEOUL (Yonhap) -- Cheap labor costs and low rent are some of the advantages associated with the inter-Korean business complex in Kaesong, a poll conducted on 215 foreign investment companies in South Korea and overseas firms showed on Feb. 9.

The survey carried out by the state-run Korea Trade-Investment Promotion Agency (KOTRA) showed 33 percent of the respondents saying the competitive labor cost is the top attraction of the industrial park, located just north of the demilitarized zone that separates the two Koreas.

This was followed by 22 percent and 21 percent that cited competitive rent and tax benefits as the important benefits that can induce businesses to invest. A further 11 percent responded by saying its "strategic" location in the heart of Northeast Asia is Kaesong's main selling point.

PEOPLE

Kim Jong-un (김정은) : Supreme Commander of the (North) Korean People's Army (KPA), First Secretary of the Workers' Party of (North) Korea, First Chairman of the National Defense Commission (NDC)

- Jan. 17 guides the concert of the Military Band of the (North) Korean People's Army (KPA).
- 20 inspects an air-borne unit of the KPA during its night infiltration exercise.
- 28 takes part in a photo session with soldiers of Unit 323 of the (North) Korean People's Army (KPA).
- Feb. 3 is nominated as a candidate for deputy to the 13th Supreme People's Assembly during a meeting of electorate at Paektusan Constituency No. 111.
- 3 receives a letter from the participants in a meeting of the electorate of the Paektusan Constituency No. 111 to nominate him as a candidate for deputy to the 13th Supreme People's Assembly of the DPRK (North Korea).
- 4 visits a nursery and orphanage in Pyongyang.
- 5 receives a gift from the head of the Chinese delegation of the Dongfangyi Tuozhan Association on its visit to the DPRK.
- 14 sends a wreath to the bier of Chae Hui-jong, a recipient of Order of Kim Il-sung and former department director of the Central Committee of the Workers' Party of Korea.
- 15 has a photo session with participants in the meeting of active leading personnel of the Worker-Peasant Red Guards.

Kim Yong-nam (김영남) : President of the Presidium of the Supreme People's Assembly (SPA)

- Jan. 23 receives credentials from Syed Hasan Habib, Pakistani ambassador to the DPRK, at the Mansudae Assembly Hall in Pyongyang.
- 25 sends a message of greeting to Pranab Mukherjee, president of the Republic of India, on the occasion of the Day of the Republic.
- 26 sends a message of greeting to Quentin Bryce, governor general of Australia, on its national day.
- 28 sends a message of greeting to the 22nd Ordinary Session of the Assembly of Heads of State and Government of the African Union.
- 28 congratulates Hery Rajaonarimampianina upon his election as president of Madagascar.
- Feb. 2 sends a message hailing the successful 22nd African Union (AU) Summit and congratulating Mohamed Ould Abdel Aziz, the president of the Islamic Republic of Mauritania, upon his election as chairman of the AU.
- 3 sends a message of greeting to Mahinda Rajapaksa, the president of the Democratic Socialist Republic of Sri Lanka, on the occasion of the 66th anniversary of its independence.
- 6 leaves Pyongyang to participate in the opening ceremony of the 22nd Winter Olympic Games in Sochi, Russia.

- 10 returns home after participating in the opening ceremony of the 22nd Winter Olympic Games held in Sochi, Russia as an honorary guest.
- 13 sends a message of sympathy to Abdelaziz Bouteflika, president of Algeria, regarding a plane accident in Algeria that claimed huge casualties.
- 15 sends a message of greeting to Tomislav Nikolic, president of the Republic of Serbia, on its national day.

Pak Pong-ju (박봉주) : Premier

- Jan. 29 makes a field survey of the construction site of the stockbreeding facility of Sepho, being built as part of plans laid out in Kim Jong-un's New Year's address.
- Feb. 3 makes a field survey of the Hwanghae Iron and Steel Complex to learn in detail the production and modernization of the production processes.
- 3 sends a message of greeting to Mehdi Jomaa upon his appointment as prime minister of the Republic of Tunisia.
- 15 sends a message of greeting to Ivica Dacic, prime minister of the Republic of Serbia, on its national day.

CHRONOLOGICAL REVIEW

(Local Events)

- Jan. 16 A ground-breaking ceremony is held for a shopping mall in the east Pyongyang area.
- 17 The (North) Korean Central News Agency (KCNA) says the 18th Kimjongilia Festival is to be held at the Kimilsungia-Kimjongilia Exhibition in Pyongyang from mid-February, in celebration of the birth anniversary of late leader Kim Jong-il (the Day of the Shining Star).
- 17 The art squad of the Central Committee of the Kim Il-sung Socialist Youth League gives a performance "Always Straight Forward, Following the Party!" at the Central Youth Hall in Pyongyang to mark the 68th anniversary of the founding of the league.
- 18 An enlarged plenary meeting of the Cabinet takes place.
- 21 The KCNA says the State Bacilli-Culture Institute of the State Academy of Sciences of the DPRK has succeeded in producing Honggok bean paste on an industrial scale.
- 23 A skating event of the 40th National School children's Sports Contest for Peak Jongil Prize takes place in Pyongyang from Jan. 20-23.
- 23 The 19th Mount Paektu Prize Sports Contest among officials of national institutions opens at the Pyongyang Indoor Stadium.
- 28 The 52nd enlarged plenary meeting of the Central Committee of the General Federation of Science and Technology of (North) Korea takes place at the People's Palace of Culture in Pyongyang.
- 28 The KCNA says the Foodstuff Institute under the State Academy of Sciences in the DPRK has succeeded in developing compound oligopeptide, a type of protein, with

- locally available raw materials.
- 30 The State Stamp Bureau issues two kinds of individual stamps featuring ceramics, part of the national cultural heritage.
- Feb. 1 Senior party and state officials visit the lodging quarters of the participants in the national meeting of sub-work team heads in the field of agriculture.
- 1 The State Stamp Bureau issues six stamps reflecting leader Kim Jong-un's New Year's address.
 - 2 Election committees are organized in constituencies and sub-constituencies for the election of deputies to the 13th Supreme People's Assembly (SPA) of the DPRK.
 - 3 Yun Won-chol and So Sim-hyang were selected as the best man and woman wrestlers of the DPRK for 2013.
 - 3 A dance party of the service personnel of Paektusan Constituency No. 111 takes place in celebration of nominating Kim Jong-un as a candidate for deputy to the 13th Supreme People's Assembly of the DPRK.
 - 4 Pak Kwang-ryong of the Kigwancha Sports Club and Ho Un-byol of the April 25 Sports Team are selected as the best man and woman footballers of the DPRK for 2013.
 - 4 The 68th Enlarged Plenary Meeting of the Central Committee of the Union of Agricultural Workers of Korea (UAWK) takes place in Pyongyang.
 - 5 A film show takes place at the Taedongmun Cinema in Pyongyang to celebrate the birth anniversary of late leader Kim Jong-il.
 - 6 A national cooking competition is held at the Pyongyang Noodle House on the occasion of the anniversary of the birth of late leader Kim Jong-il.
 - 7 Meetings to pledge loyalty to North Korean leader Kim Jong-un take place in front of former leader Kim Jong-il's birthplace at a secret camp in Mount Paektu to celebrate the anniversary of his birth.
 - 7 The National Conference of Subworkteam Leaders in the Agricultural Sector closes. Kim Jong-un sends a letter to the participants of the conference.
 - 7 Meetings of the electorate take place in all constituencies across the country to nominate Kim Jong-un as a candidate for deputy to the 13th Supreme People's Assembly (SPA) of the DPRK.
 - 11 A meeting of active leading personnel of the Worker-Peasant Red Guards takes place at the People's Palace of Culture in Pyongyang.
 - 12 The KCNA says Kim Jong-un toured the remodeled sporting bullet factory and Meari Shooting Gallery in Pyongyang.
 - 13 The February 16 Science and Technology Prize is awarded to units, scientists, technicians, teachers, researchers and officials of meritorious service on the occasion of the birth anniversary of Kim Jong-il.
 - 14 The 18th Kimjongilia Festival opens in Pyongyang on the occasion of the birth anniversary of leader Kim Jong-il.

(Foreign Events)

- Jan. 16 The National Defense Commission (NDC) of the DPRK forwards proposals to the South Korean authorities to take a practical measure of halting all acts of provoking and slandering the other side from Jan. 30, a day before the Lunar New Year's Day.
- 16 The KCNA hits joint military exercises claiming that the purpose of the exercises is apparently to take control of nuclear facilities in the DPRK and occupy Pyongyang in case of "emergency in the North."
- 17 Foreign Minister Pak Ui-chun meets with the delegation of the Bulgarian Foreign Ministry headed by Petko Doikov, general director for Bilateral Relations, which paid a courtesy call on him at the Mansudae Assembly Hall in Pyongyang.
- 17 The KCNA claims in a commentary the world should not allow Japan, a war criminal state, to go militarist and fascist.
- 18 The North side Committee for Implementing the June 15 Joint Declaration sends a message to the bereaved family of South Korea's Rev. Mun Ik-hwan on the occasion of the 20th anniversary of his demise.
- 19 The KCNA says Premier Pak Pong-ju sent a congratulatory message to Sheikh Hasina upon her assumption of office as prime minister of Bangladesh on Jan. 16.
- 20 The KCNA says an American criminal, Kenneth Bae, was interviewed by local and foreign reporters at the Pyongyang Friendship Hospital on Jan. 20 at his request.
- 21 the KCNA says independence, peace and friendship are the fixed ideals of the foreign policy of the Workers' Party of (North) Korea and the North Korean government.
- 22 Chinese Ambassador to the DPRK Liu Hongcai arranges a friendly meeting at the Taedonggang Diplomatic Club in Pyongyang on the occasion of the new year and Spring Festival.
- 22 Choe Hyok-chol is appointed as DPRK ambassador to Algeria, according to a decree of the SPA Presidium.
- 22 A poster exhibition "Let us raise a fierce wind of making a fresh leap forward on all fronts of building a thriving country filled with confidence in victory!" opens at the Pyongyang International House of Culture.
- 23 Rodong Sinmun warns the U.S. "not to forget the disgrace and lessons from the Pueblo incident" of January 1968.
- 23 The KCNA urges South Korea to halt military drills.
- 24 North Korea says it has made a proposal for the reunions of separated families living in the two Koreas. The South Korean government immediately welcomes the proposal.
- 24 North Korea calls for inter-Korean talks in the form of an "open letter" by its National Defense Commission (NDC) to the authorities, various political parties, social organizations and people of various circles in South Korea.
- 24 The KCNA accuses Japan of scheming to become a war state, claiming that the reactionaries of Japan should never forget the history of its defeat in its war of aggression.
- 25 Rodong Sinmun denounces U.S.-South Korean joint military drills, claiming they are in preparation for a preemptive nuclear strike against North Korea.
- 27 South Korea proposes holding reunions for families separated by the 1950-53 Korean

- War at Mount Kumgang, a scenic mountain resort on North Korea's east coast, from Feb. 17 to 22.
- Feb. 3 The Red Cross Society of the DPRK proposes to the South Korean Red Cross holding a working contact between the two red cross societies to discuss the family reunions on Feb. 5 or 6 at the Thongil House on the North's side of the truce town of Panmunjom.
- 5 Ri Sang-gun is appointed as DPRK ambassador to Laos, according to a decree of the Presidium of the Supreme People's Assembly of the DPRK.
- 7 The KCNA says Kim Yong-nam met with heads of various states and the U.N. secretary general in Sochi, Russia.
- 8 Kim Yong-hak is appointed as DPRK ambassador to Nepal, according to a decree of the Presidium of the Supreme People's Assembly of the DPRK.
- 8 The KCNA says Kim Yong-nam met Vladimir Putin, president of the Russian Federation, in Sochi on Feb. 7.
- 8 The KCNA says the U.S. has become evermore vociferous about the strengthening of its "missile defense capabilities" to cope with the DPRK's missile development.
- 10 Donald Gregg, chairman of the U.S. Pacific Century Institute, arrives in Pyongyang.
- 14 South and North Korea agreed to stage the family reunions as scheduled in a high-level meeting at the border town of Panmunjom.
- 15 Rodong Sinmun denounces Key Resolve and Foal Eagle joint military drills the United States is going to stage in South Korea as "nuclear war exercises for launching a surprise invasion (of North Korea)."

Publisher : Song Hyun-seung
Managing Editor : Yun Dong-young
Deputy Managing Editor : Lee Sang-in
Editor : Hwang Seok-joo
Staff Writers : Lee Kwang-ho, Kim Tae-shik
Contributor : Kim Ji-hye
Copyreaders : Adam Lipper, Jenna Davis, Ara Cho, John Power

Subscription inquiries and address changes should be mailed to :
VANTAGE POINT YONHAP NEWS AGENCY, 110 Susong-dong, Jongno-gu, Seoul, Korea
Telephone : 82-2-398-3542 Fax : 82-2-398-3463
Internet Address : <http://www.yna.co.kr>
E-mail Address : vpnk@yna.co.kr

Subscription rates (mailing cost included) : US\$70.00 for one year, US\$7.00 per copy

VOL. 37 NO. 3 Copyrights © 2014 by **YONHAP NEWS AGENCY**
Publication Registration No : Culture RA-08259
Printed by Hansan HEP, Paju, Korea
