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**COVER PHOTO** : This composite photo shows U.S. President Barack Obama (L) vowing to "respond proportionally" to North Korea's alleged cyberattack on Sony Pictures during a year-end press conference at the White House on Dec. 19, 2014 (UPI-Yonhap), South Korean President Park Geun-hye (C) speaking about this year's inter-Korean policies in her New Year's address on Jan. 12 (Yonhap) and North Korean leader Kim Jong-un (R) doing the same in his New Year's address on Jan. 1, 2013. (Yonhap Archives)

# Rough Road toward Improving Inter-Korean Relations

Pyongyang seems to be attempting to drive a wedge between Seoul and Washington and secure concessions without abandoning its nuclear arms programs.

■ By Lee Kwang-ho

Despite some signs of a thaw at the beginning of the year, inter-Korean relations have turned tense again these days due to conflicting stances over thorny issues. North Korean leader Kim Jong-un suggested in his New Year's address that he was open to holding talks with South Korean President Park Geun-hye. Pyongyang, however, remained silent on Seoul's overture to hold high-level talks aimed at addressing pending issues and breaking the deadlock in bilateral relations.

The two Koreas this year will mark a very significant event -- the 70th anniversary of Korea's liberation from the 35-year-old colonial rule by Japan. In this meaningful year, Pyongyang has recently given mixed signals about inter-Korean talks and relations with the United States, the North's enemy.

The impoverished and isolated regime has been swinging back and forth between provocation and a charm offensive for years without showing any sincerity and seriousness to its southern neighbor as well as the U.S. and other Western countries. The communist regime faces a number of issues to be resolved such as the denuclearization of North Korea, the resumption of the six-party talks and its dire human rights violation.

In earlier January, North Korea asked for contact with Washington regarding its offer to temporarily suspend nuclear tests in return for a halt to joint military exercises between South Korea and the U.S. Of late, the North is also in a quandary because of the new sanctions the U.S. has imposed in retaliation for its alleged hack of entertainment company Sony Pictures. The executive order by U.S. President Barack Obama to slap North Korea with fresh sanctions is adding a new variable to the warming trend toward dialogue.

## Efforts for Inter-Korean Dialogue

Washington's tough move against the communist country could throw cold water on the Park Geun-hye government's efforts to revive an inter-Korean dialogue. Unless another round of long-awaited reunions for families separat-

ed during the 1950-53 Korean War takes place prior to the military's joint Korea-U.S. Key Resolve drills in March, Park may lose out on a key opportunity to improve bilateral ties.

Another hurdle to the inter-Korean dialogue is the leaflet campaign, often led by North Koreans who fled their home country to settle in the South. The anti-Pyongyang campaign has long been a major source of tension between the two Koreas, as it aims to stir up dissent against the regime. Seoul has dismissed Pyongyang's demands to ban the campaign, citing freedom of speech.

Moreover, the North has raised suspicions over Seoul's intentions to seek peace, denouncing the South Korean military for its pledge to "continue nuclear war exercise against North Korea." Seoul officials say that Pyongyang seems to be attempting to drive a wedge between Seoul and Washington and secure concessions without abandoning its nuclear arms programs.

South and North Korea appeared to build up momentum toward resuming inter-Korean dialogue from the outset of the year. North Korean leader Kim Jong-un said on Jan. 1 that he was open to talks of the "highest-level" with South Korea in a nationally televised New Year's speech that was seen as more conciliatory than before.

Observers said that it is encouraging that Pyongyang's young leader expressed a strong desire for inter-Korean dialogue on the first day of 2015. Kim's overture was conditional, however, on Seoul shifting its policy toward Pyongyang, including a halt to its annual joint military exercises with the U.S.

Kim also reaffirmed the North's much-touted policy of simultaneously developing its moribund economy and nuclear capabilities, a

policy that would make it difficult for Seoul, Washington and other regional powers to reopen the long-stalled six-party denuclearization talks with the hard-line country.

In response, President Park pledged on Jan. 2 to make "substantial" preparations for potential unification with North Korea, a day after the North's leader offered conditional summit talks with her. Park said South Koreans have a historic task to overcome a seven-decades-long division and open a new era of unification. Park's two liberal predecessors held summit talks with the then North Korean leader Kim Jong-il in Pyongyang in 2000 and 2007, respectively. Kim Jong-il died of heart failure in 2011.

## Park's Pitches for Unification

President Park has made repeated pitches for unification, calling it a "bonanza" for South Korea as well as a blessing for neighboring countries. But North Korea has long suspected that Seoul could be plotting to absorb Pyongyang, a claim denied by South Korea. On Jan. 6, Park called on North Korea to demonstrate its commitment to improving ties with South Korea by actions.

In her New Year's news conference on Jan. 12, President Park said the latest U.S. sanctions on North Korea for its alleged hack on Sony Pictures would not derail Seoul's efforts to push for talks with Pyongyang. But it seems that her administration's recent moves toward resuming inter-Korean dialogue is set to be moderated by a hardening U.S. stance against the North.

Another issue is the international denunciation of the North's dismal human rights abuses. Late last year, the U.N. General Assembly passed a resolution condemning the North Korean human rights violation while referring

the North Korean leadership to the International Criminal Court for punishment. This spring, the United Nations is opening a North Korean human rights office in Seoul to monitor the North's human rights situation.

Washington's stance toward North Korea is stringent. Speaking at a House committee hearing the day after Park's news conference on Jan. 12, a senior U.S. diplomat said the U.S. "is using the full range of tools at our disposal" to get the North to change its course and abide by its international obligations. Ambassador Sung Kim, U.S. special representative for North Korea policy, said Washington would "apply pressure both multilaterally and unilaterally" to increase the cost to Pyongyang for its destructive policy choices.

Attending the same session, Assistant Treasury Secretary for Terrorist Financing Daniel Glaser said the U.S. would push for sanctions to cut the regime off from the international financial system.

## Seoul-Washington Coordination

Officials in Seoul and Washington say the allies are closely coordinating their stance on how to deal with the North. A U.S. State Department official said on Jan. 14 there was no "daylight" between Seoul and Washington on efforts to improve inter-Korean ties. The official noted progress in inter-Korean dialogue could play an important role in bringing the North back to "authentic and credible" negotiations on dismantling its nuclear arsenal.

But the compatibility between inter-Korean dialogue and the allies' coordination on the North's denuclearization may be seriously tested if Seoul and Pyongyang make substantial headway in their talks. In her news conference, Park

emphasized the North should show sincerity toward denuclearization but attached no strings to holding talks with its leader Kim Jong-un.

Experts say South Korea needs to reach unequivocal understanding with the U.S. on whether, when and to what degree to ease the blanket economic and trade sanctions it imposed on the North under the administration of Park's predecessor Lee Myung-bak.

Amid Seoul's efforts to arrange an inter-Korean dialogue, North Korea renewed its demand on Jan. 18 that Seoul must halt its joint military drills with the U.S. before it would come to the table.

North Korea further cited that a joint military operation had been halted in the past at its request. "In the 1990s, the Team Spirit exercise, a nuclear war game, was canceled based on our proper demand," the North said. The Team Spirit was an annual joint military exercise held between the U.S. and the South since 1976. The last session took place in 1993. From 1994 to 1996, the two countries scheduled the exercise each year but canceled it as part of a diplomatic effort to persuade the North to dismantle its nuclear arms programs.

The joint military exercise has now been renamed Key Resolve, and this year's drills, Key Resolve and Foal Eagle, are scheduled to take place in March.

At one point, the two Koreas had agreed to have high-level contact between late October and early November during a surprise visit to South Korea by a high-powered North Korean delegation. But the North later backtracked on the deal in protest of the leaflets that North Korean defectors in South Korea regularly send to their homeland to try to encourage North Koreans to rise up against the Kim regime.

In response, the South Korean government

reiterated its stance that there were no legal grounds to prevent the civic groups from dispatching the propaganda leaflets because of their right to freedom of speech.

Seoul's Unification Ministry spokesman Lim Byeong-cheol said on Jan. 16 that the government's proposal to the North that reunions for families separated during the 1950-53 Korean War be held in time with the Lunar New Year in February remains effective and urged Pyongyang to respond to the South Korean offer.

Noting that there is not enough time to prepare for reunions, experts have urged Seoul to propose a Red Cross meeting to the North as soon as possible. This year's Lunar New Year falls on Feb. 19.

## Hurdles to Dialogue

North Korea has bashed South Korea for its unification policy, anti-Pyongyang leaflet launches and military drills with the United States, calling on Seoul to clarify its stance on the issues. In a statement issued on Jan. 8, an unidentified spokesman for the North's National Defense Commission slammed President Park for her pledge to strive to induce meaningful changes in the North, which the spokesman claimed shows skepticism about Seoul's will to improve inter-Korean ties.

"Do they have a will to achieve the great unity and cohesion ... or to resort to the moves for 'unification of social system' and 'confrontation of social systems?'" said the statement in English carried by the North's Korean Central News Agency (KCNA). Claiming that the Seoul authorities "are scheming to subordinate the dialogue and con-



South Korean Unification Minister Ryoo Kihl-jae offers high-level talks to North Korea at the Ministry of Unification in Seoul on Dec. 29. (Yonhap)

tacts for national reunification" to achieve Park's doctrine of gaining a great opportunity of unification, the North called on the South to understand its resolution and will to improve inter-Korean relations.

In response, a Seoul official said South Korea has no intention of absorbing North Korea as a way to unify the two Koreas, but it will seek to achieve unification peacefully and in a step-by-step manner. "Our government is not seeking unification by absorption as the North claims," the official said. "The incumbent government is on the same line of previous governments' unification policy, which seeks unification (of the Koreas) in a gradual and step-by-step manner, based on autonomy, peace and democracy," the official noted.

In her New Year's news conference, Park clearly expressed her willingness to improve ties with the North despite its recent elusive attitude and the escalating confrontation between Washington and Pyongyang. She said, "I can meet with anyone if necessary for opening the path to peaceful unification."

Park also expressed hopes that South and North Korea could arrange a set of reunions of

separated families around Lunar New Year's Day and other events commemorating the 70th year of the peninsula's liberation from Japan's colonial rule. It was notable that she committed herself to pushing ahead with inter-Korean dialogue and cooperation despite unfavorable conditions.

But hopes for a dramatic overture were dashed soon as she reiterated Seoul's past position on the terms Pyongyang set out for high-level dialogue, a ban on the distribution of anti-North Korean leaflets and easing of the May 24 sanctions. The South maintains that before the lifting of the "May 24 Measures," a set of economic sanctions, the North should first take a responsible step toward its 2010 torpedo attack on a South Korean warship that killed 46 sailors.

Experts say the ball is in North Korea's court now. They insist Pyongyang pay heed to President Park's response to its leader's proposal and her choice to use the words "peaceful unification" to draw distance from the "absorbed union" that North Korea fears is Seoul's intention. They said renewing dialogue with South Korea is the only way the North can get out of its deepening isolation and economic hardships.

Still, hurdles remain before any practical improvements are achieved. The two sides have not bridged differences in focus either. South Korea still regards reunions among members of divided families as its top priority, while North Korea hopes for a lifting of the May 24 Measures, sanctions barring trade and exchange and a resumption of the tourism at Mount Kumgang that was halted after a South Korean tourist's 2008 shooting death.

Given North Korea's habitual swing from provocation to appeasement, with no progress

over the past year in inter-Korean relations, Park's agony for improving the inter-Korean relations is deepening, too.

## Inter-Korean Impasse

Analysts say the Seoul government should now make a creative proposal that could break through the inter-Korean impasse. If the current stalemate prolongs, there is a fear that the impoverished North might opt to conduct a fourth nuclear test in the aftermath of America's outright rejection of a North Korean proposal to suspend future nuclear tests on the condition that Washington cancels military drills with Seoul.

Although the U.S. welcomes South Korea's efforts to improve relations with North Korea, it is apparently showing concerns about the weakening U.S. influence on the Korean Peninsula. "We welcome ROK (South Korea) efforts to improve inter-Korean relations and urge the DPRK (North Korea) to reciprocate," U.S. State Department deputy spokeswoman Marie Harf said at a regular press briefing in response to a request for comment on Park's remarks on inter-Korean talks.

Diplomatic pundits say the U.S. government put the breaks on rapid improvement in inter-Korean ties, fearing that progress in the relations may offer no excuse for the U.S. military presence including an advanced missile system in Northeast Asia.

"Should tensions ease in inter-Korean relations, the Korea-U.S. alliance mainly based on the U.S. Forces Korea could weaken and have trouble containing the rise of China because the U.S. attempts to deploy the Terminal High Altitude Area Defense (THAAD) system on the Korean soil, stressing the role of USFK,"

A mass rally of residents in Pyongyang is held on Jan. 6 with them vowing to implement the tasks set forth by their leader Kim Jong-un in his New Year's address. (KCNA-Yonhap)



said Hong Hyun-ik, a senior researcher at the Sejong Institute.

An Chan-il, head of the World Institute for North Korea Studies, commented, “The U.S. seems to have reached the decision to portray the North as a regional troublemaker because inter-Korean reconciliation can reduce its leverage in Northeast Asia in its pursuit of the pivot to Asia policy.”

## Seoul's Need for Strategy

At such a time as this, experts say, it is vital for the South Korean government to find the momentum and strategy needed to take the initiative, not only in its relationship with North Korea but also in North Korea's relationship with the U.S.

North Korea-U.S. relations encountered a crisis as a result of financial sanctions that U.S. President George W. Bush imposed on North Korea immediately after the Sept. 19 Joint Statement was reached in 2005 as part of the six-party talks about the North Korean nuclear program. On Oct. 9, 2006, North Korea took the extreme step of carrying out its first nuclear weapons test in response to these

sanctions.

It was precisely at this time that the South Korean government aggressively persuaded the U.S. and North Korea to resume the six-party talks. It also devised an exit strategy, proposing a bold plan of moving toward abolishing North Korea's nuclear weapons while also ushering in a peace treaty for the Korean peninsula.

“The South Korean government needs to realize that the current impetus for inter-Korean relations, North Korea-U.S. relations and the six-party talks is located in Seoul. The government should act on this realization by placing someone at the helm with a vision for changing the situation on the Korean Peninsula and make a concerted push for this vision. It should not always wait and see how the U.S. will react,” said Moon Chung-in, professor at Yonsei University.

In addition to the carrot for improving their relations, South Korea must also be able to use the U.S. hard-line stance as a stick in bringing the reluctant North to the dialogue table, persuading the North that Seoul is the only, and ultimate, partner of Pyongyang, experts said. (Yonhap)

# Policy Plans to Prepare for Unification

**The enactment of the law on unification is designed to prepare legal and institutional framework for the government's unification efforts and allow the government's drive for unification preparation to be continued systematically.**

■ By Kim Tae-shik

South Korea announced on Jan. 19 a set of plans to step up efforts to prepare for unification and seek dialogue with North Korea on a variety of cooperative projects this year. Under the plans, the government will try to enact a law to lay the foundation for the peaceful unification of the divided Korean Peninsula and push for a trial run of a rail line connecting Seoul to the North Korean cities of Sinuiju and Rajin via its capital, Pyongyang, the unification, foreign and defense ministries said in their joint policy report to President Park Geun-hye for this year.

The plans also call for the simultaneous opening of inter-Korean cultural institutes in Seoul and Pyongyang to serve as a base for inter-Korean cultural exchange and a concerted effort to make joint registration of cultural properties shared by the two Koreas on UNESCO's cultural heritage lists, joint publication of an anthology of Korean people's life and culture and a display of Korea's cultural legacies in Seoul and Pyongyang in order to help recover the homogeneity of the Korean people.

The enactment of the law on unification is designed to prepare legal and institutional framework for the government's unification efforts and allow the government's drive for unification preparation to be continued systematically even after the tenure of the current administration ends, officials said, adding that the proposed law will include legal justification for running the presidential Committee for Unification Preparation, which was launched in July, 2014.

The railroad network plan, if realized, could create synergy with an envisioned transcontinental express project reaching Europe under Park's "Eurasia Initiative."

Referring to the trans-Korea train project, Unification Minister Ryoo Kihl-jae said in a separate press conference that the government hopes for and will work toward launching the project around the Aug. 15 National Liberation Day.

## Railroad Connection

Reconnecting the severed railways between the two Koreas and eventually linking the inter-Korean railway to Europe via Russia and China has long been a policy goal of the government and is a key element of the Eurasia Initiative.

In October 2013, Park unveiled her initiative, which calls for, among other things, infrastructure



development and freer trade among Eurasian nations by linking their railways. South Korea hopes to eventually link its rail network to Russia's Trans-Siberian Railway (TSR) via North Korea.

There have long been talks of linking South Korea's railways to TSR via North Korea, but little headway has been made in efforts to materialize the project due mainly to North Korea's lack of cooperation amid tensions on the peninsula.

The project is expected to gain momentum as North Korea reportedly hopes to realize it in an effort to invigorate its sagging economy and promote development of its Northeast Asia cooperation project for its northeast areas around the Tumen River.

North Korea is positively considering promoting the development of its northeastern border areas along the Tumen River and building a pipeline and a railway running through the Korean Peninsula in order to build trust with South Korea and to develop its economy, according to a recent paper published in the impoverished country.

North Korea is seeking to rekindle the stagnant project to develop the Tumen River areas as an exemplary project for inter-Korean economic cooperation, according to the paper carried in the Nov. 15 issue of a journal published by the Academy of Social Sciences.

The paper stressed that the two Koreas would reinforce their role in the economic cooperation in Northeast Asia by easing tensions on the Korean Peninsula.

The South also plans to open a logistics route that connects a South Korean port to the railway linking North Korea's Rajin port to the Russian border city of Khasan. In a landmark pilot operation, a Chinese-flagged ship carrying a sizable volume of Russian coal arrived in the South Korean port of Pohang on Nov. 29 after a 33-hour journey from North Korea's Rajin, giving South Korea the green light for its participation in the Rajin-Khasan project.

Also included in the plans is the development of the inter-Korean joint factory park in North Korea's border town of Kaesong to a base for reciprocal inter-Korean cooperation and globalization of the park. Under the 2015 policy plans, Seoul will also push for a variety of joint inter-Korean commemorative events to mark the 70th anniversary of what is now the two Koreas' independence in 1945 from Japan's colonial rule.

"The government has set this year as a starting point for widening discussion over unification and making progress in inter-Korean relations as it marks the 70th anniversary of independence from Japanese colonial rule, as well as the South-North division," a unification ministry official said.



A joint unification policy report for 2015 from four ministers including unification and foreign ones is under way at the presidential office Cheong Wa Dae in Seoul on Jan. 19, with President Park Geun-hye attending. (Yonhap)

## South-North Dialogue

Details and schedules of the plans have yet to be determined through future discussion with the North, he said. South Korea calls on North Korea to respond to an offer for the resumption of inter-Korean talks so the countries can have a chance to discuss these issues in detail, he said, referring to Seoul's overture in late December.

South Korea on Dec. 29 proposed minister-level talks with North Korea in January to discuss pending bilateral issues, including the reunion of families separated by the 1950-53 Korean War.

The government sent a fax message to the North offering dialogue in January on "issues of mutual concern." The recipient was Kim Yang-gon, director of the North's United Front Department in charge of South Korea affairs.

The move apparently reflects the Park Geun-hye administration's resolve to improve ties with Pyongyang and take the initiative in relevant efforts, as it enters its third year in power.

"The South and the North will have to meet each other and discuss ways toward a peaceful reunification," Unification Minister Ryoo said at a press conference, explaining Seoul's overture.

He said he will lead the South's delegation if the meeting is held, adding that the venue can be Seoul, Pyongyang or another place agreed to by the two sides.

The two Koreas had their last ministerial talks in Seoul in May 2007, although they held a vice ministerial meeting in February 2014.

The unification ministry reported that it will most preferentially seek a solution to humanitarian issues such as the reunion of divided families and issues of Korean War prisoners and repatriation of South Koreans abducted to the North when the South-North talks are resumed. Seoul will also discuss with Pyongyang the opening of "three channels" of cooperation for the North Korean people's livelihoods, environment and culture.

Despite the envisioned fence-mending measures, South Korea will go ahead with its annual joint military exercises with the United States this year, a high-ranking defense ministry official said on background, rejecting the North's recent calls for scrapping them.

"(The government) maintains its stance that joint South Korea-U.S. exercises should be carried out continually and consistently ... because they are a core part of strong national defense capacity building," the defense official said, adding that "for that reason, the defense ministry cannot accept North Korea's calls over the joint South Korea-U.S. exercises."

Two major joint Seoul-Washington military drills -- Key Resolve and Foal Eagle -- are scheduled to kick off in South Korea in March. Joint Seoul-Washington military drills have been at the center of recent inter-Korean feuds, with Pyongyang vehemently demanding the suspension of what it calls a war rehearsal targeting North Korea.

Earlier in January, the North proposed that it would temporarily suspend further nuclear tests if the U.S. halts the joint military drills with the South this year. The U.S. squarely dismissed the proposal as an "implicit threat."

On the diplomatic front, Seoul will pursue closer cooperation with its neighbors, especially the U.S. and China, in order to expedite progress in the international efforts to denuclearize the commu-

nist country, the policy plan showed.

The country will also make utmost efforts to resume the six-party talks, involving the two Koreas, the U.S., China, Russia and Japan, to bring out meaningful progress in the denuclearization efforts.

However, the 2015 policy plan by the South Korean ministries comes as inter-Korean relations remain mired in a long stalemate.

In a bid for a breakthrough in inter-Korean tension, Seoul offered to hold high-level inter-Korean dialogue in late December to discuss pending issues, however, the North has not yet come up with an official response as of Jan. 19, three weeks after the proposal was issued, despite North Korean leader Kim Jong-un's alluding to possible inter-Korean dialogue in his New Year's address.

The North has repeatedly threatened a nuclear war against the joint Seoul-Washington military exercises and denounced South Korea's policy toward the communist country.

## **Park's Request**

Meanwhile, President Park called on officials to create conditions to allow North Korea to come forward for talks in the latest conciliatory gesture toward Pyongyang to jump-start stalled dialogue.

The call came as North Korea has remained silent on South Korea's recent offer of ministerial talks in January to discuss such bilateral issues as the reunion of families separated by the 1950-53 Korean War.

"I hope that you will make efforts to come up with conditions under which North Korea can respond," Park said in a meeting at the presidential office, where she received a briefing on South Korea's policy on North Korea, defense and foreign affairs.

She did not elaborate on what she meant by conditions, though they appear to suggest that South Korea should take steps to stop its people from sending propaganda leaflets to North Korea.

Park's request came days after North Korea's National Defense Commission urged South Korea to clarify whether Seoul is serious about dialogue with Pyongyang or whether it will persist in the anti-North Korean leafleting campaign.

For years, North Korean defectors in the South and conservative activists have flown the leaflets to the North via balloons to help encourage North Koreans to eventually rise up against the Pyongyang regime.

The leafleting campaign that North Korea claims insults its dignity has been a constant source of friction between the two Koreas, which are still technically at war because the 1950-53 Korean War ended in a truce, not a peace treaty.

In October, the two Koreas exchanged machine gun fire across the border after the North apparently tried to shoot down balloons carrying anti-Pyongyang leaflets. North Korea has repeatedly threatened to retaliate against the leafleting campaign.

South Korea has said there are no legal grounds to prevent its activists from floating the leaflets, citing freedom of expression. But it has also asked defectors to refrain from floating the leaflets. (Yonhap)

# Washington's Rebuffs of Pyongyang's Dialogue Offer

**“While N. Korea claims to seek talks without preconditions, it has consistently ignored our offers for dialogue and responded with a series of provocations.”**

■ By Lee Kwang-ho

North Korea's calls for dialogue have faced a series of rebuffs by the United States. This is quite comparable to the two Koreas' recent efforts to resume bilateral talks for inter-Korean rapprochement. North Korea and the United States' relations are growing tenser over a number of troublesome issues related to the recalcitrant country.

North Korea and the U.S. have been wrangling over possible bilateral talks, but it seems there will be no immediate breakthrough between the two Cold War adversaries. For years, the U.S. has poured every effort for the denuclearization of the communist state which in return claims that the nuclear weapons are for its own survival.

More recently, Washington went a step further by floating the possibility of a stronger set of sanctions aimed at shutting down the North's financial transactions with the outside world. U.S. officials are repeatedly warning that they are considering other punitive measures against North Korea in retaliation for the cyber-attack on Sony Pictures Entertainment, which Washington blames on Pyongyang. The communist country has categorically denied any involvement.

Pyongyang said recently that it was willing to conditionally suspend its nuclear tests if the

U.S. agrees to call off its joint annual military drills with South Korea. But Washington dismissed the offer as an “implicit threat.” South Korea and the U.S. have annually conducted joint military drills, which they say are defensive in nature and aimed at maintaining their defense capability against the belligerent North.

## Pyongyang's Dialogue Offer

In quite an unusual manner, the North's official Korean Central News Agency (KCNA) reported on Jan. 10 that Pyongyang proposed a day earlier that Washington temporarily suspend its joint military exercises in South Korea and its vicinity this year in order to ease tensions on the Korean Peninsula. In return, North Korea said it could postpone its nuclear tests.

The KCNA added that Pyongyang relayed the proposal to Washington through a “relevant channel.” As Pyongyang and Washington do not have formal diplomatic ties, this could imply the so-called New York channel, or North Korea's mission to the United Nations. The U.S. and North Korea fought each other during the 1950-1953 Korean War that ended in a ceasefire, not a peace treaty.

It is uncommon for Pyongyang to reach out directly to Washington when requesting the can-

cellation of the military drills. North Korea also conveyed that it is “ready for dialogue” should the U.S. feel the need to discuss its proposal.

But U.S. State Department spokeswoman Jen Psaki told reporters on Jan. 10 that the way Pyongyang “inappropriately links routine (U.S.-South Korean) exercises to the possibility of a nuclear test by North Korea is an implicit threat.” Emphasizing that the nuclear problem and military drills are separate issues, Psaki urged that there are “necessary steps toward denuclearization needed to resume credible negotiations” on North Korea’s part.

Some experts point out that North Korea is attempting to show Seoul and Beijing its intentions of a nuclear test moratorium. Pyongyang conducted its third nuclear test two years ago in February 2013, and while the regime has threatened to launch a fourth test numerous times, it has not yet followed through. Pyongyang has also showed an angry response to a U.N. move to censure North Korea’s leaders at the International Criminal Court over its dismal human rights record.

A new nuclear test would be a clear violation of North Korea’s obligations under multiple U.N. Security Council resolutions, as well as its own commitments under a 2005 denuclearization-for-aid deal made at the six-party talks, the spokeswoman said.

North Korea has long demanded the end of annual U.S.-South Korea military drills, calling them a rehearsal for invasion of the communist nation. The U.S., which has close to 30,000 troops permanently stationed in South Korea, conducts a series of joint military exercises with its key Asian ally every year.

Seoul and Washington have rejected the demand, saying the annual maneuvers are purely defensive. “Our annual joint military



Amb. Sung Kim, U.S. special representative for North Korea policy, speaks about sanctions on North Korea at a House Foreign Affairs Committee briefing in Washington on Jan. 13. (Yonhap)

exercises with the Republic of Korea are transparent, defense-oriented and have been carried out regularly and openly for roughly 40 years,” a State Department official said.

North Korea should “immediately cease all threats, reduce tensions and take the steps toward denuclearization needed to resume credible negotiations,” the official said.

## U.S. Rejection

South Korea on Jan. 11 joined the U.S. in rejecting the North Korean proposal, saying that North Korea’s nuclear tests are not an issue that can be linked to the joint military exercises. An official at Seoul’s foreign ministry also called on the communist country to come to the negotiating table over the nuclear issue, adding that “the door for dialogue with North Korea is always open.”

Nevertheless, North Korea on Jan. 13 offered to hold direct talks with the United States on its proposal to suspend nuclear tests and suggested dialogue could pave the way for changes on the Korean Peninsula. During a news conference, North Korean Deputy Ambassador to the United Nations An Myong-hun said the offer still stands. “The government of the DPRK (North Korea) is ready, to

explain its intention behind its proposal directly to the United States,” said the envoy.

The envoy indicated that the talks could lead to broader engagement. “If this proposal is put into practice this year, many things will be possible,” he said. “By refusing to accept our proposal, the United States has shown once again that they will continue to increase their military capabilities in South Korea,” said An.

The envoy called on the U.S. to drop its “hostile” policy and make the “bold” choice of opting for a new approach. He insisted that the proposal to the U.S. was “a very meaningful and significant offer” that would create an atmosphere conducive to dialogue and cooperation on the Korean Peninsula.

A day earlier, North Korea slammed the United States for rejecting its offer. “It is nonsense that they blamed us for allegedly posing threats with the fourth nuclear test, which does not even take place, while conducting military activities continuously,” said the Choson Sinbo, the newspaper of a North Korea-affiliated Korean community in Japan.

Stressing that its offer was “an expression of its firm will to ease tension and to make a peaceful environment on the Korean Peninsula,” the newspaper said North Korea will “allow the Obama administration to set the cause for a policy change toward it.”

South Korean President Park Geun-hye on Jan. 12 pledged to improve relations with North Korea through dialogue, despite growing tension between Pyongyang and Washington after the U.S. slapped new bilateral sanctions in retaliation against the North’s purported hack on Sony Pictures.

Her remarks reflect Seoul’s efforts to dilute concerns that the latest bout of sanctions may tip over the budding mood for a cross-border

rapprochement since North Korean leader Kim Jong-un expressed his openness toward a summit with the South in his New Year’s speech.

However, Washington’s stance toward Pyongyang appears to be tougher recently. On Jan. 13, a U.S. official said that the U.S. will identify and impose sanctions on financial institutions doing business with North Korea so as to cut the communist nation off from the international financial system.

Assistant Treasury Secretary for Terrorist Financing Daniel Glaser made the remark during a House committee briefing, saying the 2005 sanctions on the Banco Delta Asia (BDA), a bank in Macau, were extremely successful because they “created a chilling effect” throughout the international financial system.

Glaser said past sanctions had already discouraged hundreds of banks, including China’s major commercial banks, from doing business with North Korea and the new sanctions are intended to identify the remaining financial institutions that allow North Korea access to the global system.

## **Washington’s Tougher Sanction**

Under the “BDA sanctions” in 2005, the U.S. blacklisted the Macau bank, which not only froze North Korean money held in Banco Delta Asia but also scared away other financial institutions from dealing with Pyongyang for fear they would also be blacklisted. The measure is considered the most effective U.S. sanction yet on the North.

At the time, the Treasury took the action because the bank laundered money for the North. The US\$24 million freeze of North Korean assets was part of efforts to dry up resources for Pyongyang’s nuclear arms devel-

opment. In 2006, China joined the U.S. campaign, surprising the international community. The state-owned Bank of China froze North Korean assets in several Macau-based banks.

Early in January this year, the U.S. announced retaliatory sanctions in response to the North's alleged cyber-attack on Sony Pictures, blacklisting three North Korean entities and 10 officials, including the Reconnaissance General Bureau, Pyongyang's top spy agency.

Some analysts have claimed that the sanctions would only be symbolic because the communist nation has already been under an array of U.S. and international sanctions for its nuclear and missile programs, as well as other provocative acts.

Also speaking at the House briefing, Amb. Sung Kim, special representative for North Korea policy, said the latest set of sanctions are aimed at increasing "the cost of North Korea's misbehavior" and reducing "the revenues the DPRK is able to funnel to its illicit nuclear and ballistic missile programs."

The envoy said the U.S. is "using the full range of tools at our disposal to make clear to the DPRK that abandoning this course and abiding by international laws and obligations is the only way to end its political and economic isolation."

Kim also said Washington will seek cooperation with Beijing. China's unconditional support for the North has weakened over recent years. Since the United States has almost no economic exchanges with the North, cooperation from China, the largest supporter of Pyongyang, is critical.

North Korea has called for resuming the six-party talks without preconditions. But the U.S. and South Korea have demanded

Pyongyang first take concrete steps demonstrating its seriousness about giving up its nuclear program if negotiations restart.

"While North Korea claims to seek talks without preconditions, it has consistently rebuffed or ignored our offers for dialogue and instead responded with a series of provocations, from last summer's ballistic missile launches to November's attack on Sony," Kim said.

Kim stressed the U.S. is not insisting on North Korea to denuclearize before talks reopen. The envoy also emphasized that there is "no daylight between Washington and Seoul on what we expect from North Korea" as the South seeks to test the North's professed interest in improving inter-Korean relations.

Despite the tough stance from both Washington and Seoul, North Korea said on Jan. 13 it will press ahead with its policy of simultaneously pursuing both nuclear and economic development, despite desperate U.S. attempts to end its nuclear capabilities.

"No matter how the international situation and the relations of neighbors change, (the North) will stick to the military-first policy and the dual-line policy to the very end," the North's main Rodong Sinmun newspaper said. Despite the introduction of economic sanctions by the outside world, the North has long pursued the development of nuclear weapons.

The Rodong Sinmun editorial also mounted criticism on the U.S., saying it did everything it could last year to try to destroy the North's nuclear deterrence and topple the regime.

The sortie of nuclear-capable B-52 bombers over the Korean Peninsula and joint South Korea-U.S. military exercises were examples of such attempts, it said. (Yonhap)

# Washington's Tough Drive against Sony Hack

**Following a conclusion that North Korea was responsible for the Sony Pictures hacking, President Barack Obama vowed to respond to it proportionally.**

■ By Kim Tae-shik

From the beginning of the new year, the United States took measures to show its “ultra-hard” stand against what it termed North Korean cyberattacks on a U.S. film company.

The U.S. announced retaliatory sanctions on North Korea on Jan. 2 in response to the communist nation’s alleged cyberattacks on Sony Pictures Entertainment, and warned the actions are “just the first aspect” of its response.

The FBI has determined that North Korea was behind the hack on Sony, confirming widespread suspicions pointing to the North, which has expressed strong anger at a Sony movie, “The Interview,” which involves a plot to assassinate North Korean leader Kim Jong-un.

President Barack Obama signed an executive order authorizing additional sanctions on North Korean individuals and entities in response to the North’s “ongoing provocative, destabilizing, and repressive actions and policies, particularly its destructive and coercive cyberattack on Sony,” the White House said in a statement.

Obama signed the order in his winter retreat in Hawaii even before he returned to work, heralding Washington’s hardened drive against the unruly country from the onset of the year.

Obama said in a letter to leaders of the House of Representatives and Senate, “The order is not targeted at the people of North Korea, but rather is aimed at the government of North Korea and its activities that threaten the United States and others.”

Some political observers said the U.S. action was designed to send a strong message to North Korea that it would not tolerate any kinds of provocations, including threats from nuclear arms and missiles and cyberattacks.

Three North Korean entities and 10 officials were named in the sanctions, including the Reconnaissance General Bureau, Pyongyang’s primary intelligence organization, accused of arms trading and other activities banned under U.N. resolutions, according to the U.S. Treasury Department.

Though those sanctioned are barred from using the U.S. financial system and U.S. citizens are banned from doing business with them, the measures are considered largely symbolic because the North has already been under a string of international sanctions and those newly sanctioned are not believed to have any dealings with the U.S.

“We take seriously North Korea’s attack that aimed to create destructive financial effects on a U.S. company and to threaten



This AP file photo, dated Dec. 18, shows the gates of Sony Pictures Entertainment Studios on Overland Avenue in Culver City, California. North Korea allegedly made a destructive cyber-attack on Sony for making “The Interview,” a comedy about the assassination of North Korean leader Kim Jong-un. (AP-Yonhap)



artists and other individuals with the goal of restricting their right to free expression,” the White House said.

“As the president has said, our response to North Korea’s attack against Sony Pictures Entertainment will be proportional, and will take place at a time and in a manner of our choosing. Today’s actions are the first aspect of our response,” it said.

The two other newly sanctioned North Korean entities are Korea Mining Development and Trading Corp. (KOMID) and Korea Tangun Trading Corp. Eight of the 10 sanctioned individuals were KOMID officials stationed in Iran, Syria, Russia and Namibia.

KOMID is the North’s primary arms dealer and main exporter of goods and equipment related to ballistic missiles and conventional weapons, according to the Treasury Department.

The company was previously sanctioned by the U.S. and the United Nations, it said.

Korea Tangun Trading Corp. is responsible for the procurement of commodities and technologies to support the North’s defense

research and development program. The company was also a target of U.S. and U.N. sanctions, the department said.

The sanctioned individuals include KOMID officials Kil Jong-hun, Kim Kwang-yon, Jang Song-chol, Kim Yong-chol, Jang Yong-son, Kim Kyu, Ryu Jin and Kang Ryong, as well as Yu Kwang-ho, a North Korean government official, and Kim Kwang-chun, a Tangun Trading Corp. official.

“Today’s actions are driven by our commitment to hold North Korea accountable for its destructive and destabilizing conduct,” Secretary of the Treasury Jacob Lew said in a statement. “Even as the FBI continues its investigation into the cyberattack against Sony Pictures Entertainment, these steps underscore that we will employ a broad set of tools to defend U.S. businesses and citizens, and to respond to attempts to undermine our values or threaten the national security of the United States.”

The new sanctions also underline the confidence the U.S. has in blaming the North for

the Sony hack despite growing doubts about the FBI's finding among American cybersecurity specialists.

On Dec. 29, 2014, a U.S. cyber-security firm, Norse Corp., was reported to have briefed the FBI on the result of its own investigation that it was not North Korea, but laid-off Sony staff members that disrupted Sony's computer network.

Scott Borg, director and chief economist of the U.S. Cyber Consequences Unit, an independent, nonprofit research institute specializing in cyberthreats and risks, also said in a commentary on the CNBC website on Jan. 2 that the skills employed in the Sony hack were too sophisticated for the North.

Two days later North Korea rebuked the United States for slapping fresh sanctions on Pyongyang for its alleged hacking of Sony Pictures, saying that the U.S. move reflects its long-running hostility toward North Korea.

## **Pyongyang's Response**

"The U.S. is kicking off a noisy anti-DPRK campaign, deliberately linking the 'cyberterror' with the DPRK," said a spokesman for the North Korean foreign ministry, while accusing Sony of producing a disgusting movie openly agitating terrorism against a sovereign state. DPRK refers to North Korea.

"The U.S.'s anti-DPRK hostile act that kicked off from the outset of the year is aimed to save its face and tarnish the image of the DPRK in the international arena at any cost, upset by the increased international skepticism about its 'results of the investigation' which termed the recent cyberattack the one made by the DPRK," the spokesman said, asserting that the U.S. is persistently turning down the

North's just proposal for a joint investigation to probe the truth about the cyberattack on Sony Pictures.

The persistent and unilateral action taken by the White House to slap sanctions against the DPRK patently proves that it still has not moved away from inveterate repugnancy and hostility toward the DPRK, the ministry spokesman said.

Following a conclusion by U.S. investigators that North Korea was responsible for the Sony Pictures hack, Obama vowed to respond to it and the U.S. Congress urged that North Korea be again designated as a country sponsoring terrorism.

## **FBI's Conclusion**

"As a result of our investigation, and in close collaboration with other U.S. government departments and agencies, the FBI now has enough information to conclude that the North Korean government is responsible for these actions," the FBI said on Dec. 19.

Malicious software in the Sony attack revealed links to malware previously used by North Koreans, the agency said. The tools used also were similar to a cyberattack in March 2013 against South Korean banks and media organizations.

The Nov. 11 attack rendered thousands of computers inoperable and forced Sony to take its entire computer network offline, it said.

North Korea had been suspected of involvement in the cyberattack from the beginning because the communist nation has expressed strong anger at the controversial movie which Sony planned to start screening across the U.S. on Christmas Day.

Pyongyang has denied involvement, though

it lauded the cyberattack as a “righteous deed.”

Anonymous hackers then threatened to attack theaters screening the film, titled “The Interview.” The company canceled the release of the movie in theaters across the U.S. but later decided to release it as scheduled upon mounting criticism of the cancellation. Eventually Sony released the film online on Dec. 24 and in some U.S. theaters on Christmas day.

Obama said during his year-end news conference, “We will respond. We will respond proportionally and we will respond in a place and time and manner that we choose.”

Secretary of State John Kerry also condemned the North.

“These actions are a brazen attempt by an isolated regime to suppress free speech and stifle the creative expression of artists beyond the borders of its own country,” he said.

## **Disruptions in N.K. Internet**

The Senate Foreign Relations Committee Chairman Robert Menendez called for re-designating the North as a state sponsoring terrorism. Pyongyang was put on the U.S. terrorism sponsor list for the 1987 bombing of a Korean Airlines flight, but was removed from the list in 2008 in exchange for progress in denuclearization talks.

The U.S. House of Representative also decided to introduce a bill to re-designate North Korea as a country sponsoring terrorism in January, according to the Radio Free Asia on Dec. 23.

In a follow-up to Obama’s executive order, a senior U.S. sanctions official said on Jan. 13 Washington will identify and impose sanctions on financial institutions doing business with

North Korea so as to cut the communist nation off from the international financial system.

During a House committee briefing, Assistant Treasury Secretary for Terrorist Financing Daniel Glaser said the 2005 sanctions on the Banco Delta Asia (BDA), a bank in Macau, were so successful because it “created a chilling effect” throughout the international financial system.

Meanwhile, North Korea’s access to the Internet went down completely on Dec. 23 and suffered intermittent disruptions for eight days until it was completely restored on Dec. 30. There was speculation the disruption could be the result of a U.S. retaliatory attack, although the U.S. government declined to confirm whether it has anything to do with the North’s Internet failures.

“I can’t comment on those reports one way or the other. I can’t confirm them one way or the other. I don’t actually know that their Internet was out, and it’s not for me to speak to,” State Department deputy spokeswoman Marie Harf said at a regular press briefing.

Some major North Korean websites remained blocked on Dec. 24 for the second straight day amid growing speculation over cyber warfare between Washington and Pyongyang.

After going down on the evening of Dec. 23, the website of the North’s main propaganda organ, Uriminzokkiri, had remained inaccessible before going back online on Dec. 24 afternoon, although no updated contents were posted.

Access to other well-known North Korean propaganda websites, including Ryugyong and Ryomyong, also remained blocked for several days. (Yonhap)

# North Korea's Nuclear and Missile Capabilities

**For the first time ever, Seoul's defense white paper for 2014 has mentioned North Korea's capability to mount nuclear warheads atop ballistic missiles.**

**A**s widely known, North Korea's buildup of conventional and non-conventional arms has posed a constant challenge to South Korea. Specifically, its advances in the nuclear weapons and missile technologies have threatened the security landscape of Northeast Asia without moving forward from the tense Cold War era situation of the Korean Peninsula.

Worse yet, it is recently revealed that Pyongyang's capability to miniaturize nuclear warheads has reached a "considerable" level, while its long-range missiles are presumed to be capable of reaching the U.S. mainland. According to Seoul's 2014 Defense White Paper published on Jan. 6, nuclear-armed North Korea is believed to have developed advanced missile technologies through a series of test launches.

The biennial white paper studies North Korea's nuclear, missile and traditional arms capabilities. It has concluded that North Korea's nuclear threat has become imminent following the third nuclear test in February 2013. The country has so far conducted three underground nuclear tests in 2006, 2009 and 2013.

It is the first time that Seoul's defense white paper has mentioned North Korea's capability to mount nuclear warheads atop ballistic missiles -- an indication that Seoul officially recognizes the North has made strides in developing its nuclear weapons capability through the three atomic bomb tests.

In past studies, the defense paper did not make a technological evaluation of North Korea's nuclear weapons development and only mentioned that the North has conducted two underground detonations in 2006 and 2009. For the first time, the Ministry of National Defense, in its 2014 white paper, made a direct reference to "North Korean nuclear weapons."

## Miniaturization Capability

Pyongyang has yet to demonstrate its miniaturization capabilities, though officials and experts from South Korea and the United States have said the communist country is believed to have the technology to build nuclear-tipped missiles.

"We don't have any intelligence that North Korea completed the miniaturization. In con-

sideration of the fact that acquiring such technology takes around two to seven years in general and eight years have passed since the North conducted its first nuclear test, however, its capability for small nuclear warheads would have reached a significant level,” a ministry official said.

The official, however, stressed, “We don’t use any expressions indicating that the North currently possesses nuclear weapons in the 2014 white paper, meaning that we still do not recognize the North as a nuclear-power state politically and technologically.”

The defense report said the North has obtained about 40 kilograms of weapons-grade plutonium through the reprocessing of spent nuclear fuel rods.

Pyongyang is also operating a separate program using highly enriched uranium. To produce one nuclear bomb, around 6 kg of plutonium is required. The 40 kg estimate for North Korea’s plutonium holdings is unchanged from the 2012 white paper.

North Korea previously halted its plutonium production along with operations at its nuclear facilities in Yongbyon after the Feb. 13 and Oct. 3 agreements at the six-party talks in 2007. But in late August 2009, it announced the completion of reprocessing 8,000 spent fuel rods to extract plutonium.

In 2013, it declared that it was resuming fuel rod production at the Yongbyon reactor. In a November 2014 report on the North Korean affairs, the U.S. website 38 North also mentioned the possibility that reprocessing facilities were back in operation, although this was not mentioned in the defense white paper.

The latest paper described the North’s ballistic missile capabilities in greater detail, pointing out, “It is presumed that the North



The 2014 Defense White Paper released by South Korea’s Ministry of National Defense on Jan. 6. (Yonhap)

has secured a missile capability to threaten the U.S. mainland through a total of five long-range rocket tests.”

The mention appears to acknowledge that the North’s rocket test in December 2012 was successful. Experts have said that the rocket tested appeared to have a range of some 10,000 km -- far enough to strike the U.S. mainland.

The evaluation was based upon the North’s successful sending of a satellite into orbit on an Unha-3 long-range rocket in December 2012, according to the official, noting that its Taepodong-2 long-range rocket is believed to have a range of 10,000 kilometers.

The United States also confirmed that an object was launched into space.

The last edition two years ago said the long-range missiles tests in 2009 and 2012 had failed. Despite Pyongyang's push to develop long-range missiles, no signs have been detected that Pyongyang has put them into service.

"The range of the newly developed Taepodong-2 missile is 10,000 kilometers," said the ministry official. "We have not detected a test firing of the KN-08 missiles, which were first unveiled in a 2013 military parade, but we took into account Pyongyang's claim that it successfully launched the Unha-3 in 2012."

The ministry, however, added that there was no intelligence that North Korea has positioned long-range missiles or perfected the miniaturization of nuclear warheads. Until recently, the military said the North was capable of launching an inter-continental ballistic missile, but it was unclear if it had the technology to allow the missile to re-enter the atmosphere successfully.

## **N. Korea as "Enemy"**

In the face of such growing threats from the bellicose regime, South Korea defined the North Korean regime and its military as South Korea's "enemy" in the paper as the communist country has posed "serious threats to our national security."

Reference to North Korea as "our enemy" is the same term it used in 2010 -- the year the North launched two provocations that killed a total of 50 South Koreans including two civilians.

Amid heightened inter-Korean tension in 1995, the paper called the North the main enemy, while in times of relatively stable rela-

tions, the tough term was replaced by milder expressions such as "direct military threats."

South Korea had dropped the definition in 2004 after 10 years of use but revived the expression in its 2012 white paper after the North carried out a series of military provocations in 2010 including torpedoing the South Korean naval corvette Cheonan, killing 46 sailors and shelling the western sea border island of Yeonpyeong, killing four. The two Koreas are still technically at war because the 1950-53 Korean War ended in a truce, not a peace treaty.

The white paper also offered a detailed description of the Northern Limit Line (NLL) as an "effective inter-Korean maritime demarcation line."

The North does not recognize the maritime line, demanding it be drawn further south, making the region a flashpoint of military confrontation between the two Koreas.

The paper reported that the North had established the 12th Corps under the directives of its leader Kim Jong-un to beef up defense around its northern provinces of Jagang, Ryanggang and North Hamgyong bordering China and Russia. With a new installment of the 12th Corps, the North will operate 15 corps-size units including two mechanized corps, the Pyongyang Defense Command and the 11th Corps composed of special forces, the paper said.

As of October 2014, North Korea had 1.2 million regular service personnel, some 10,000 more than two years ago, while South Korea has around 630,000 service members, due to an increase of 10,000 Air Force personnel. It has around 1.02 million Army, 120,000 Air Force and 60,000 Navy personnel. The number of South Korean troops decreased slightly, from 639,000 to 630,000.

On the conventional arms front, servicemen, mostly in the air force, increased by 10,000. The number of multiple rocket launchers that were tested last year increased by 700. The Strategic Rocket Forces changed its name to the Strategic Forces, suggesting Pyongyang's increased focus on non-conventional asymmetric military capabilities.

The communist country has also continued its military buildup by securing more armored vehicles, rocket launchers and battleships, and it is presumed to be building new types of submarines such as one capable of firing ballistic missiles.

According to the white paper, the North has recently reinforced the artillery capabilities of its ground forces, including tanks, armored vehicles and multiple rocket launchers. "The North recently put enormous effort into strengthening its artillery capabilities and expanded some of the mechanized units," said a military official. "About 200 to 300 armored vehicles were added."

The North Korean military also carried out a massive restructuring. The Military Security Command, an agency that was under the Korean People's Army (KPA) General Staff, was moved to serve the General Political Bureau of the KPA in order to buttress North Korean leader Kim Jong-un's control over the military.

The white paper also included the first mention of the North's cyberwarfare operations. It said the North currently operates about 6,000 agents for cyberoperations and their missions are attacking the South's infrastructure systems and interfering with military operations.

In a related development, North Korea appears to be trying to equip a submarine to make it capable of firing missiles, a U.S. think

tank said on Jan. 8, warning such hard-to-detect, missile-capable submarines would pose significant threats to South Korea.

The 38 North, run by the U.S.-Korea Institute at the Johns Hopkins School of Advanced International Studies, said it reached the assessment based on commercial satellite imagery taken of the Sinpho South Shipyard on the east coast between July and December.

### **Submarine Missile Capability**

Imagery from Dec. 18 shows a rectangular opening, about 4.25 meters long and 2.25 meters wide, on top of the conning tower of a submarine, and the opening is believed to be designed to house one to two small vertical missile launch tubes, the website said, citing an analysis by Joseph Bermudez, an expert on satellite imagery.

"North Korea's development of a submarine-launched missile capability would eventually expand Pyongyang's threat to South Korea, Japan and U.S. bases in East Asia, also complicating regional missile defense planning, deployment and operations," the website said. "Submarines carrying land-attack missiles would be challenging to locate and track, would be mobile assets able to attack from any direction, and could operate at significant distances from the Korean peninsula."

It is unclear what missile system would be used in a ballistic missile submarine, but possibilities include a shorter naval version of the Musudan intermediate-range ballistic missile, a Rodong medium-range ballistic missile and naval versions of the solid-fueled KN-02 short-range ballistic missile, it said. (Yonhap)

## Kim Jong-un's Sister and Her Alleged Marriage

**Kim Yo-jong, the only sister of North Korean leader Kim Jong-un, has recently emerged at the center of the North's political circles.**

**T**he younger sister of North Korean leader Kim Jong-un was married in late 2014 to a son of Choe Ryong-hae, one of the closest aides to Kim, sources said on Jan. 2.

“As far as I know, Kim Yo-jong, deputy director of the Workers’ Party, got married to a son of the Workers’ Party of Korea (WPK) secretary Choe Ryong-hae,” said a reliable source based in China.

Choe is known to be the most powerful official in the communist nation behind leader Kim.

Choe has two sons and a daughter, according to another source. The second son, Choe Song, is Kim’s husband, added the source. He is reportedly in his early 30s, but his job title has not been confirmed yet.

Earlier in the day, the North’s media released a photo of Kim Yo-jong, 28, who accompanied her brother on a visit to a Pyongyang orphanage on New Year’s Day. In the photo, Kim was wearing what appears to be a wedding ring on the ring finger of her left hand.

Other reports said Choe Song is an official of “Room 39” of the North ruling Workers’ Party of Korea, which is in charge of managing Kim Jong-un’s secret funds.

The Washington-based Radio Free Asia (RFA) raised speculation in late 2014 that Kim Yo-jong may have married a senior official from Room 39. The radio cited a Korean-Chinese businessman, who recently traveled to Pyongyang, as saying that a senior official of a

trade company associated with Room 39 told him that Kim Yo-jong had got married and her husband was rumored to be working at Room 39.

“There is nothing unusual to expect Kim to have gotten married as she has reached the optimal age for marriage. (People) are wondering about who her husband is, as he could emerge as another powerful figure in the North’s top echelons,” RFA quoted the businessman as saying.

South Korean government officials told media that nothing had been confirmed about Kim’s marriage.

### Kim Yo-jong's Status

In March last year, the North Korean media first mentioned her name alongside other top elites such as Hwang Pyong-so, the director of the North Korean military’s General Political Bureau. Observers said she might have taken a vice minister post in the communist state although her title was not revealed then.

North Korea unveiled in late November the official title of Kim Yo-jong, calling her a vice director of the North’s ruling Workers’ Party of Korea.

The confirmation of her formal position came amid growing speculation over her political role and stature in the communist regime.

She was among Kim Jong-un’s entourage



when he visited a film studio in Pyongyang, reported the Korean Central News Agency (KCNA).

Those who accompanied him included “vice department directors Kim Yo-jong and Kim Ui-sun of the Workers’ Party of Korea Central Committee,” it said.

As the only younger sister of the current leader, she is apparently groomed to play a key supporting role for her brother in the absence of their once-powerful aunt Kim Kyong-hui, whose husband, Jang Song-thaek, was executed for treason in late 2013, according to some observers.

Kim Yo-jong now holds the vice ministerial post, but her actual political status looks to be much higher, they said. The South Korean government believes she is working in the propaganda department of the party.

A unification ministry official also noted that her late father, Kim Jong-il, served in the department when he was being groomed to become the nation’s leader himself.

Chang Yong-seok, senior researcher at a Seoul National University institute, said Kim Yo-jong seems to be more influential than Kim Kyong-hui was.

“Kim Yo-jong is playing a substantive role in creating Kim Jong-un’s image as a people-oriented leader, standing at the core of his efforts to solidify his power base,” he said.

## Choe’s Family Background

Meanwhile, the family of Choe Song has longstanding close ties to the North’s ruling family, commonly called the Kim dynasty or Paektu family descending from the country’s founder Kim Il-sung to Kim Jong-il and the current leader.



Seen here is Kim Yo-jong, the younger sister of North Korean leader Kim Jong-un, wearing what looks like a wedding ring on the ring finger of her left hand. The Rodong Sinmun, a daily of the North’s ruling Workers’ Party, carried the image in its Jan. 2 edition. (Yonhap)

Choe Hyon, a former minister of the armed forces and grandfather of Choe Song, was a close confidante to Kim Il-sung and Kim’s sworn brother. Choe Ryong-hae served for Kim Jong-il during his reign and now is said to be a devoted confidante to Kim Jong-un.

Choe visited Russia in May last year as a special envoy of Kim Jong-un and met with Xi Jinping of China in Beijing in November for similar purposes.

Following the launch of the Kim Jong-un regime, Choe assumed the top military post of the director of the General Political Department of the Korean people’s Army in April 2012. He was removed from the powerful post giving way to Gen. Hwang Pyong-so a year after but regained the status as the number two man in the country when he was appointed a member of the political bureau presidium of the Central Committee of the WPK. (Yonhap)

# Analysis of New Year's Address by North Korean Leader Kim Jong-un

**The improvement of relations with the South is desperately needed for the North Korean authorities to avoid international isolation and receive economic assistance.**

■ By the Center for North Korean Studies. *Korea Institute for National Unification in Seoul*

North Korea began broadcasting Kim Jong-un's 2015 New Year's Address around 9:30 a.m. This is thirty minutes late compared to the previous three years, 2012, 2013 and 2014. This could be interpreted as the regime's small act of consideration for its people. This year's New Year's Address has two main characteristics.

First, it reflected the regime's anxiety over the surrounding circumstances at home and abroad. Its emphasis of the needs for "building of a politically and ideologically strong state" as well as "strengthening the revolutionary armed forces and defense capability" support this perspective.

Second, a comparably large amount of the address was allocated to the relations with South Korea. While the address has reiterated Pyongyang's old positions, it also indirectly expressed its wishes to improve inter-Korean relations as well. In terms of economic policy, it seems that the regime will carry on with its preexisting policies without any significant changes.

The following sections describe the main characteristics of the North Korean regime's policy direction revealed by the 2015 New Year's Address.

## Characteristic 1: Three Pillars for Policy Orientation

Conventionally, previous New Year's Addresses used to state economic policies right after advancing the core slogan of the year. However, in 2015, before presenting the economic policy, three pillars for policy orientation are identified and elucidated substantially. They are: "ideology, weaponization and the power of science and technology."

From them are derived three policy tasks for the year: "politically and ideologically strengthening the state," "reinforcing revolutionary armed forces and defense capability" and "giving definite precedence to science and technology." Previously, these subjects used to be addressed after the economic policy

was articulated.

What is the reason then behind the emphasis on these three pillars? It could be understood that this reflects the regime's anxiety over the surrounding circumstances at home and abroad. The resolution passed at the Third Committee of the U.N. General Assembly on Nov. 18, 2014 is presumed to lie at the center of this sentiment.

This resolution recommended referring the situation of human rights violations in the North to the International Criminal Court (ICC) and was also carried at the U.N. General Assembly session on Dec. 18. These two developments at the U.N. seem to have made the North Korean authorities somewhat anxious about their impact on domestic and foreign conditions of the country.

### **Politically and ideologically Strengthening the State**

First, let's examine the state of internal affairs. With the introduction of the Kim Jong-un regime in 2012, the North Korean authorities have loosened their crackdowns on market activities, while tightening their grip on internal attempts for contact with the outside world. They include activities such as cell phone communication with the outside world, trade and possession of foreign cultural goods and reception of remittances from abroad.

To make matters worse for the North Korean authorities, due to the U.N. Resolutions on human rights violations in the North and the movie "The Interview" from Sony Pictures, confrontations between North Korea and the international community have increased in 2014. These two issues must have made the North Korean regime nervous about

their impact on internal political situations and provide the latter with the reasons for additionally tightening its internal control in 2015.

In fact, the Address placed "politically and ideologically strengthening the state" as one of the three pillars for policy orientation. Judging by the details of the Address, while intensifying the mobilization of party organizations, the North Korean authorities will in 2015 extensively strengthen various measures for internal ideological control as well as the crackdowns on attempts to contact the outside world. These measures, in turn, could significantly elevate the tension between the regime and society.

### **Reinforcing the Revolutionary Armed Forces and Defense Capability**

In terms of external action, North Korea has strongly retorted the U.N. Resolutions on its human rights violations in November and December. As responses, the Statement of the Ministry of Foreign Affairs on Nov. 20 threatened "another nuclear test" and "indefinite strengthening of war deterrence" and, thereafter, the Statement of the National Defense Commission on Nov. 23 declared it would carry out "unprecedented toughest counteraction" against the United States, Japan and South Korea.

From these two statements, it can be inferred why the Address has set "reinforcing the revolutionary armed forces and defense capability" as one of the three main policies of 2015. The Address also announced the "strengthening of self-defense capability based on the nuclear deterrence" as a reaction to the "despicable human rights racket." The regime also states that it will "continuously adhere to

military-first politics” and “byeongjin” (simultaneous development of the economy and the nuclear arms) line.

### **Strength of Science and Technology**

Now, let’s look at the last theme of the three main policies, “giving precedence to the power of science and technology.” The Address points out that the development in science and technology contributes to “economic growth, national defense, and the improvement of people’s living standards.” However, realistically, in North Korea, the investment on developing weapons of mass destruction takes the lion’s share in any investments on science and technology.

Therefore, emphasizing the “power of science and technology” could be interpreted as the concentration on high-tech development for weapons of mass destruction in 2015. So, this theme is a subcategory pertaining to “reinforcing the national defense.”

### **Characteristic 2: Carrying out Dialogue Offensive to S. Korea**

The Address exceptionally allocated a large portion of itself to relations with the South and the international community. The South Korean media has been especially attracted to two phrases, “it is possible to resume the suspended high-level contacts and, in addition, to begin sectoral talks” and “there is no reason why we should not hold a summit meeting.”

However, North Korea also unconventionally laid out a lengthy explanation on the preconditions for the talks to be held. The contents of these preconditions were already suggested several times before, namely: termina-

tion of “large-scale war games,” discontinuation of “seeking confrontation between systems while regarding one’s own ideologies and systems as absolute,” no pursuance of “unification of systems,” and acceptance of “July 4 Joint Communique, June 15 Joint Statement, and Oct.4 Joint Declaration” as “the charter for reunification” and “great program for reunification,” etc.

The following points are several interpretations regarding North Korea’s lengthy explanation on the relations with the South. First, North Korea wants to maintain its old positions on one hand and explore the possibilities for improvement in inter-Korean relations on the other. This intention is demonstrated by the exceptionally various use of phrases such as “briskly hold dialogue, negotiations and exchanges and make contact,” “improvement of inter-Korean relations through dialogue,” “resumption of high-level contacts” and “the possibility of the highest-level talks.”

Second, North Korea attempts to assert its position on the issue of unification followed by the launch of South Korea’s Presidential Committee for Unification Preparation (PCUP).

Third, marking the 70th anniversary of liberation, North Korea has preemptively expressed its point with the increasing pressure domestically and internationally that calls for an increase in inter-Korean exchanges such as holding joint events.

### **Characteristic 3: Moderate but Surreal Economic Policy**

Three points stand out in dealing with the contents on the economic policy.

First, the Address indicates, “we will make

maximum use of the existing foundations and all potentials of the self-supporting economy” as the general orientation of the economic policy in 2015. This shows that the North Korean authorities have no intention or momentum to promote new large-scale projects or investment.

When pursuing the building of “a powerful and strong nation” through large-scale construction projects and new investments between 2009 and 2012, agitated mobilization-intended phrases like “Great March of Socialism” were conventionally introduced as the core slogan of the economic policy.

The demand for vast investment, large-scale construction projects, and high-level mass mobilization in this period brought about numerous side-effects including high inflation rates, as well as forced contribution of labor, resources and funds from households and enterprises. Instead of those slogans, the economic policy in the Address advocates for “normalizing existing production capability and maximizing its use.” This will contribute to stabilizing consumer prices and exchange rates this year.

Second, the contents related to economic tasks are similar to those of the previous years, revealing that there is no change in the economic policy in 2015. North Korea has strongly underlined the improvement of people’s living standards, setting agriculture and light industry as “main foci” since the late years of Kim Jong-il regime, while, in reality, concentrating itself on rebuilding the traditional heavy and chemical industry as well as defense industry. This is expected to continue in 2015.

The Address directs to “resolve the food problem of the people and improve their

dietary life on a higher level with agricultural production, animal husbandry and fishing as the main thrusts.”

The North Korean authorities have heralded that the “household garden system” introduced in 2012 had conducted to increase in agricultural production in 2013 and 2014, but it was not mentioned in 2014’s New Year’s Address as well as this year’s.

Also, the Address stresses the promotion of the light industry as in previous years, but the normalization of production has not been achieved yet.

Regarding power production and key industries such as metal, chemistry and rail transportation, it lays out the surreal policies, akin to the past. North Korea has highlighted ensuring “the domestic production of raw and other materials and equipment,” but has failed to provide any effective solutions.

While the regime emphasizes the utilization of “our technology and our resources,” this line of thought will not overcome the underdevelopment in the industry. North Korea seems to stick to a “campaign to restore the mountain forest” just as previous years. However, without any policies to solve the food and heating problems, the “campaign to restore the mountain forest” will have no realistic achievements, rather mounting the suffering on its the people.

Policies supporting the “economic management method of our style,” known with the concepts such as “June 28 Policy Directives,” and “Autonomous Management,” (of state-owned enterprises) are proclaimed to be continued in the Address.

The same policy has appeared since last year’s address. In 2015, the Address states, “the economic organs and enterprises

can conduct their business activities creatively on their own initiative.”

Third, policy management will be arranged to prioritize the arms industry in 2015. Beginning the power succession in 2009, North Korea conducted its second nuclear test in 2009 and third nuclear test in 2013 and increased tension-provoking military behavior towards the South. Henceforth, North Korea put itself in the position where it has to increase not only nuclear arms but also conventional weaponry.

#### **Characteristic 4: Commemorating 70th Anniversary of WPK Foundation**

The Address clearly conveys that the North Koreans will have a huge celebration marking the 70th anniversary of the founding of the Workers' Party of Korea on October 10. Some scholars have predicted that the regime will hold the seventh Party Congress in this period.

As mentioned earlier, the paper has analyzed that the economic policy has been set comparably moderately and straightforwardly. However, there is a possibility that the North Korean authorities might suddenly shift the economic policy to a rapid mobilization policy to commemorate the 70th anniversary of the foundation of the WPK.

In other words, there lies a possibility that a monumental construction project or fundraising project for gift distribution could be carried out without prior notice. Should this occur, it will damage the North Korean economy and destabilize the prices of crops and exchange rates, which have been stable since 2013, and enter a phase of high inflation rate.

## **Conclusion**

North Korea in 2015 will have complicated policy concerns that were not experienced earlier recently. This concern is well reflected in the Address. North Korea will have significant concerns on encountering the intensifying international isolation and confrontation due to the stubbornness to possess nuclear weapons and the damage of its status domestically and internationally due to the UN resolutions on its human rights violations.

The Address depicts the policy preparation by North Korea for the intensification of isolation and tension. These concerns are even denoted in the South Korea policy.

The improvement of relations with the South is desperately needed for the North Korean authorities to avoid international isolation and receive economic assistance.

The actual “summit meeting” especially will consolidate Kim Jong-un’s position at home and abroad at once, marked as the highest trophy. Therefore, North Korea will multilaterally make efforts to improve relations with the South. Combined with the South Korean government’s efforts and patience, the improvement in inter-Korean relations is possible. Nevertheless, North Korea will not give up its threat of “unprecedented toughest counteraction” and “nuclear disaster” against the South and its pressure on South Korea to accept its preconditions.

(This is an excerpt from a same-titled analysis carried on Jan. 1 on the Online Series of the Korea Institute for National Unification (KINU) in Seoul. The views expressed in this paper are entirely those of the authors and are not to be construed as representing those of KINU.)

# Development Cooperation with North Korea: KSP on International Economy for N.K. and Triangular Cooperation

## I. Introduction

Countries in the socialist bloc such as the Soviet Union and East Germany did not allow their economic and political officials access to the market economy until they had declared a policy of reform at the turn of the 1990s.<sup>1)</sup> Unlike the East European countries that changed their socialist systems, replacing their planned economies with market economies, North Korea has continued to maintain a planned economy. But the North has made attempts to conduct educational programs on the capitalist economy in its educational institutions since the 1970s. Moreover, it established the Rason Enterprise School in 1998 with the assistance of the international community, for education on the market economy.

Many North Korea watchers in Seoul and elsewhere have viewed the measures as inevitable for the North's survival. The policy came at a time when not only the socialist countries that had succeeded in achieving political change, but also countries that had been successful in their economic development programs were pursuing a state-led development strategy.

The challenge facing them was how to develop their human resources to take care of that strategy.<sup>2)</sup> The North pushed ahead with educational programs on the market economy for its elite officials at a time when the perception that the role of the cadre in achieving reform was essential was spreading in socialist countries.<sup>3)</sup> In response to the North's moves, the international community and South Korea have been seeking ways to not only encourage a market economy but also democratic reform.

As of late 2014, North Korea watchers were making mixed evaluations of the North Korean economy. In other words, some of them saw that the North Korean command economy based on production

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and distribution under a central plan was functioning in a normal way, while others believed that the socialist planned economy had already been partly eroded by the market economy. But no North Korea watcher can know the actual situation facing the North Korean economy because of the closed nature of the North Korean society.

Some scholars specializing in the North Korean economy, North Korean refugees and those working with companies that have business dealings with the North -- all of them in South Korea -- have testified in recent months that some rules and functions of a market economy already serve as props of the North Korean economy.

A majority of North Korea watchers believe that North Korean markets are playing a leading role in the production and supply of goods in the country, while North Korean manufacturers are given a freer hand in their production of goods as the official Public Distribution System is dysfunctional.<sup>4)</sup>

However, while the North has participated in various educational programs, it has been often fastidious in choosing the content as proposed by the international community.<sup>5)</sup> Undoubtedly, the North's behavior is attributable to the judgment of its leadership that the regime needs only a fraction of knowledge and skills provided by the international community. Regarding this perception, this essay will review the knowledge sharing programs provided by the international community and South Korea, and examine their limitations founded in the course of their implementation, plus the challenges facing the programs. And it will propose a solution to the problems regarding a road map of knowledge sharing programs, the principles of their implementa-

tion, and their contents in a way to help the North make a regime change stably and efficiently if and when the North wants to end its confrontation with the international community and seek reform.

## II. Knowledge Sharing as Motive for Regime Change

While discussing regime change, János Kornai, a Hungarian economist noted for his analysis and criticism of the command economies of former Eastern European communist states, classified it into two categories according to its radicalism and speed: reform and revolution.<sup>6)</sup>

When the development in a socialist country signals a change in key common properties of socialist societies such as ideology, power monopoly, the form of ownership, and operation mechanism, and is radical in its process, he called it a "regime reform." And when it proceeds to breakaway completely and officially from socialism, he named it a "regime change."

Besides these developments, there can be another type of development in a socialist country that does not reach the level of a regime change but signals meaningful change. Kim Keun-sik, a professor at Kyungnam University in the South Korean city of Changwon, defined it as an "intra-regime change," the lowest-level change in a socialist country referring to the situation where the fundamental properties of a socialist society remain unchanged. Under this classification, Kim maintains that economic reform in China while maintaining a socialist political system falls under the category of a "regime reform"



and that the development in Russia accompanied not only by a change in the economic system but by a shift in the ideological, political system, falls under the category of a “regime change”. Any change in socialist countries, he continues, falls under the category of an “intra-regime change,” or that of a “regime reform,” or that of a “regime change,” but all of the changes are on an extended line. In other words, an intra-regime change will naturally lead to regime reform, and the possibility is high that a regime reform will lead to a regime change because the introduction of a complete market economy will eventually require a free democratic political system.

A series of changes in North Korea observed in recent years on the basis of the theory of a regime change indicates that the North has entered the phase of intra-regime change. But the international community and South Korea can launch a project to provide the North with technological know-how only when the North has the will to achieve a regime reform.

An array of measures taken by the North and its continued participation in the knowledge sharing projects provided by the international community and South Korea may indicate that the North has already entered a low-level regime reform although the North is reluctant to accept this indication. Actually, the international community and South Korea have carried out educational programs for North Koreans on 90 occasions.

The classes held often for North Korean officials, teaching staff, businessmen and students imply that there is a rise in the need for knowledge of the market economy, an advanced economic system and the latest technological know-how.

In other words, although it is maintaining a socialist planned economy as its official economic system, the North Korean leadership wants to learn about the market economy and technological know-how in order to maintain its influence because it was awakened to the fact that the North Korean economy can hardly resist the ever spreading market functions. Moreover, while its socialist economy has become dysfunctional, its traditional allies, China and Vietnam, plus its former ally, Russia, have replaced their socialist command economies with market economies, a development serving as one of the factors causing continued economic difficulties in the North.

### **III. KSP and Triangular Cooperation: Characteristics of Education on Market Economy for North Korea**

Because of the closed nature of North Korea and the special relationship between the two Koreas, South Korea has conducted knowledge sharing projects for North Korea through triangular cooperation, which also involves a third country that is friendly with the North, or is neutral politically, or a country that has succeeded in achieving a regime change, rather than bilateral cooperation between just the two Koreas.

Yoon Byeong-soo breaks down the educational project on the market economy for North Koreans into three phases: the period for sprouting (1970-84), that for quantitative expansion (1985-96) and that for qualitative improvement (1997-today). But this writer will divide that project into three phases in a

different way: the period for sprouting alongside with *juche* (self-reliance) (1970-96), that for quantitative expansion by the international community (1997-2007), and a lull and that for seeking qualitative growth (2008-today).

As far as the educational project in the North is concerned, the period for its *juche*-oriented sprouting dates back to the early 1970s. When there was little need for the North to obtain information on the market economy because it focused on economic relations with socialist countries, two economy-related colleges in the North played a leading role in economic education in the country. They are the College of People's Economy established in 1946 and the College of Foreign Relations established in 1956. At the turn of the 1970s, when the North's trade with Western countries such as Japan, West Germany, France and Switzerland began to increase, there was a rise in the need for knowledge on the capitalist market economy. For this reason, the North then began education on the market economy for its diplomats and trade officials, focusing on fractional, skillful matters.

In 1985, it began to expand the targets for education on the market economy in a way to include officials in all economy-related ministries, business-related officials and all college graduates while maintaining the content of education. Shortly after the Cold War was over at the turn of the 1990s and the East European socialist countries entered the phase of regime change, the North established departments on foreign economies, international financing and international laws at Kimilsung University to train trade officials as specialists in those economic sectors.

In 1997 the North began to establish institu-

tions specializing in education on the market economy not only for economic officials but for political officials, under foreign assistance, thus entering the period for quantitative expansion by the international community (1997-2007).

The North, for instance, established Rajin Enterprise School in 1998 under the assistance of the United Nations Development Programme (UNDP) to teach its trade officials, senior officials of business concerns and students on economic affairs, including tourism, statistics, regional management, welfare, economy-related decrees, taxation, financing and real estate. And in 2004 it established Pyongyang Business School with assistance of the Swiss Agency for Development and Cooperation (SDC) and launched a masters in business administration (MBA).

In an encouraging development, the business school opened classes for a new generation comprising graduates of the middle school and employed foreign managers and North Koreans who studied abroad as teaching staff. Moreover, the two aforementioned schools have reportedly published the text of their lectures in Korean and English for distribution to enterprises, government offices and research institutes.

And in 1999 the International Department under the umbrella of the Central Committee of the Workers' Party of Korea, the North Korean version of the Communist Party, established a research institute for international affairs; the United Front Department, a research institute for South Korean issues; and the External Economy Survey Bureau in the Trade Ministry, a research institute on foreign economies, to get knowledge of the market economy and explore policies.

The noteworthy characteristics of North Korea's education on the market economy are that the international community activated its projects for sharing knowledge of the market economy and technological cooperation. In particular, many North Korean officials were given a chance to study theories and undergo training abroad, starting with more than 10 officials sent to foreign countries in 1997. The number crossed the 120 mark the next year, with other beneficiaries tallied at 158 in 2000, 186 in 2001, 227 in 2002, 237 in 2003, and 220 in 2004.

More than 70 percent of the North Koreans participating in the classes for the market economy were educational and economic officials, plus teaching staff in higher educational institutions. The classes addressed information technology on 19 occasions, economic management on 11 occasions, the market economy on nine occasions, special economic zones on five occasions, foreign trade on four occasions, regime change on five occasions, legal systems on four occasions, accounts on two occasions, agricultural management and international relations on two occasions and other topics on 29 occasions.

Noteworthy is the fact that North Korean officials have participated actively in the classes regarding the "market economy," and "regime change," despite the explicit expression of the topics, an indication that the North Korean leadership is active in its policy of acquiring knowledge on the market economy.

Many foreign institutions have continued to sponsor classes for North Koreans. Among them are the Centre for Applied Studies in International Negotiations (CASIN), a Switzerland-based academic and research institution, which sponsored classes for North

Koreans as many as nine times; the U.N. Development Programme (UNDP), the Nautilus Institute for Security and Sustainability, and the Friedrich Naumann Foundation for Freedom (FNF) each six times; Stockholm Business School, Syracuse University plus Korean Society in Syracuse, and the Hanns Seidel Foundation each five times; a consortium of Peking University, the State University of New York and the Asia foundation four times; and the Korea Development Institute (KDI), a government-financed think-tank in Seoul, nine times.

The classes were held in China on 30 occasions, in North Korea on 15 occasions, in Switzerland on 10 occasions, in Seoul on eight occasions, in Vietnam and the United States each on seven occasions, in Belgium on five occasions, in Japan and Italy each on four occasions, in Singapore and Russia each on three occasions, and in Sweden on two occasions.

In conclusion, the period of 1997-2007 was undoubtedly a phase when the international community's educational program on the market economy for North Koreans expanded quantitatively. The classes on various fields were sponsored by various institutions and held in various countries, providing the North Korean officials attending the classes with a chance to have practical experience of various regimes and systems.

But the classes lacked a systematic roadmap produced under the careful consultations of the sponsors, plus the mechanism for efficient provision of educational contents, and proper selection and management of those educated. For this reason, this period is evaluated as a phase simply for quantitative expansion of the projects for sharing knowledge of the market

economy, and technological cooperation.

Because of tense inter-Korean relations and North Korea's confrontational policy behavior toward South Korea and the international community since 2008, there came a lull in educational programs on the market economy for North Koreans sponsored by the South and the international community. But this writer classifies this phase into a period for seeking qualitative growth, because from 2008 up until the present time South Korea and the international community have sought meaningful progress on the educational projects.

During the aforementioned period the international community has carried out knowledge sharing projects with North Korea on 15 occasions, with more than 500 participants. Such sponsors have included the Hanns Seidel Foundation, which has continued to carry out the project regardless of inter-Korean tensions.

Sponsors also began to replace their short-term projects with long-term ones of more than six months. Prof. Park Kyung-ae of the University of British Columbia (UBC) launched a Canada-DPRK Knowledge Partnership Program in 2011 and invited six North Korean professors specializing in the economy and business management to the Canadian university every year until 2014 for six months of education on the market economy. And that program, in cooperation with the Korea Economic Development Association,<sup>7)</sup> held a "forum for experts on the economic development zone" in 2013 and the next year. Choson Exchange, a Singapore-registered nonprofit organization focusing on training for young North Koreans, in particular women, has conducted education on the market economy on eight occasions in Singapore since it

was established in 2007 by Geoffrey See, a Yale University and Wharton School graduate and a Massachusetts Institute of Technology (MIT) researcher. Women participating in Choson Exchange projects numbered 130, representing 60 percent of all North Korean participants.

The South Korean government called its educational project on the market economy for North Koreans the "project for sharing knowledge of the market economy with North Korea" and attempted to utilize it as one of the inter-Korean exchange and cooperation programs as well as the projects aimed at building the foundation for Korean unification. In this context, in 2008 it conducted the knowledge sharing project on three occasions at Dalian University and Dongbei University of Finance and Economics in the Chinese city of Dalian, Liaoning Province for North Korean officials, businessmen and professors.

The North Koreans educated in Dalian University the next year numbered 48. This project conducted by the South Korean government for two years was meaningful in two respects, although it was suspended thereafter because of the May 24, 2010 measures against the North taken by the South for the North's torpedoing of a South Korean warship in March that year. First, it was not planned as a temporary, or one-time program, but a regular one. For this reason, the South Korean government and related institutions have continued to discuss content of the classes for North Koreans, the ways to select educational institutions for the classes as well as North Korean students, and measures to finance the project. Second, South Korea began to study a project for sharing knowledge of the market economy with the North based on the Knowledge

Sharing Program (KSP). For this reason, this writer calls this period a “lull and a period in search of qualitative growth” of the project.

#### **IV. KSP for Sharing Experience of Economic Development with Countries Heading for Regime Change**

The Knowledge Sharing Program (KSP) is a form of technical cooperation prevalent in the global community in recent years. The international community has transferred knowledge of the market economy and experience of economic development to developing countries under the name of “technical assistance” since the 1980s, and under the name of “knowledge sharing” and “technical cooperation” since the mid-1990s. But the project for knowledge sharing pushed by advanced countries based on the “modernization theory,” which emerged in the 1950s as an explanation of how the industrial societies of North America and Western Europe developed, has been challenged continually by Central and South American countries. Their contrary view is based on the “dependence theory,” which argues that poor states are impoverished and rich ones enriched by the way poor states are integrated into the world system and that developing countries can hardly achieve economic development even if they follow the development model of the developed countries because there is much difference between the internal and external environments facing the developed countries in the 18th century and those facing developing countries since the mid-19th century. Under this view, developing countries began to accept South Korea as a

development model in the late 1990s. Their perception has served as a factor giving birth to Seoul’s initiative for the KSP in 2004. The South Korean Ministry of Strategy and Finance is responsible for overall management of the KSP; the Korea Development Institute (KDI), for policy advice; the Export-Import Bank of Korea, for consulting with international organizations; and the KDI School of Public Policy and Management, for turning Korea’s experience of economic development into modules.

South Korea conducted the KSP involving 135 countries on 133 occasions until the end of 2013 and it addressed economic development and growth on 49 occasions, macro-financing on 45 occasions, industrial organization on 44 occasions, international trade on 27 occasions, agriculture-environment-resources on 27 occasions, labor and education on 20 occasions, regional economy on 13 occasions and other areas on five occasions.<sup>8)</sup> The top four on this list are applicable to priority projects for sharing knowledge of the market economy with the North. Among the KSP partners are Myanmar, Vietnam and China, which have succeeded in replacing their command economies with market economies, indicating South Korea is accumulating KSP know-how regarding regime change.

#### **V. Recommendations for KSP on International Economy for North Korea**

The South Korean government led by President Park Geun-hye included the KSP on the market economy for North Korea as a prerequisite to achieving the unification of the

two Koreas. In her speech delivered at the Dresden University of Technology in Germany on March 28, 2014 under the heading, "An Initiative for Peaceful Unification on the Korean Peninsula," Park said: "Should North Korea so desire, we would be happy to partner with the international community to share our experience in economic management and develop special economic zones, and to provide systematic education and training opportunities relating to finance, tax administration and statistics." Earlier in December 2012, the Ministry of Strategy and Finance held a conference presided over by its assistant minister to express Seoul's willingness to provide a development strategy for North Korea, which suits the North. But the two Koreas have yet to deal with this issue.

The KSP, however, can gain momentum as a measure to facilitate inter-Korean cooperation, easing tensions between the Koreas, because North Korea has participated actively in the KSP, sponsored by foreign countries, or the international community. For the success of the KSP, first, the South needs to introduce a formula of triangular cooperation involving a third country as a partner. The countries to serve as Seoul's partners in the KSP for the North can be classified into three groups: the first group may include such countries as China, Russia, Mongolia, Vietnam and Cambodia, which have friendly relations with the North and succeeded in achieving regime reform, or a regime change; the second group, Sweden, Switzerland and Norway which have had no troubles in their diplomatic relations with the North; and the third group, Canada and Germany, which have pushed ahead actively with their own KSP. Seoul needs to give priority to the first group countries at a

time when inter-Korean relations are in a troublesome situation.

Once inter-Korean relations are improved, however, international organizations can play an important role in providing the North with systematic international financial supports aimed at helping the North reform. And once the North enters the phase for reforms and opening, the South needs to conduct the KSP under a bilateral formula, inviting North Koreans to the KSP classes to be held in the North, or in the South, aimed at training North Korean manpower on a large scale.

Second, the KSP for North Koreans needs to be conducted under a consistent title. This writer has usually called the program for North Koreans an educational program regarding the market economy. But it is desirable to name the program after the KSP because the educational program could concern not only the market economy but technologies, which have nothing to do with the market economy. Another reason for this recommendation: the North is nervous about the term, "the market economy." The project sharing knowledge of the market economy needs to be linked to the KSP, because the South Korean government has continued to carry out the KSP to share its experience of economic development with developing countries and the KSP is widely recognized in the international community. It is desirable to call the project to train North Korean manpower in English the "KSP on International Economy for North Korea" because it cannot be of a one-time nature, and it needs partnership with the international community.

Third, the South Korean government needs to establish a systematic road map for the KSP for the North. Because of the variety and inde-

pendence of the institutions sponsoring the program, it is difficult to secure consistency in selecting students and content. Before the North enters the phase for reforms and opening, the KSP for the North needs to focus content of its classes to be attended by political, economic officials on the market economy, international financing and strategies for economic development. But in the phase where North Koreans are confident in maintaining their regime, the content of the classes to be attended by officials of enterprises and trade companies needs to focus on trade, the market, marketing, R&D and labor management. And in the phase of reforms and an opening where the North declares the replacement of its decades-old planned economy with a market economy, the classes need to focus on the principles and value of the market economy and skills for the labor force.

Lastly, the South Korean government needs to study the content of the KSP for the North and its priority, keeping in mind the lessons of technical cooperation with the countries that have made a regime change and that they need measures tailored to them through a scientific examination. In this context, the South needs to first consider the KSP for the North aimed at vitalizing the special economic zones and economic development zones to which the North pays attention.

## VI. Conclusion

South Korea has conducted its educational programs on the market economy under a form of triangular cooperation. But there has been no attempt made by the South to evaluate the programs on a basis of the triangular coop-

eration mechanism. An analysis of the contents of projects for sharing knowledge on the market economy with North Koreans revealed that the projects focused on education of fractional knowledge, overseas observation tours of industrial facilities, and short-term overseas training.

The KSP for the North, however, is a meaningful project for the South Korean government which seeks the peaceful unification of the Korean Peninsula based on North Koreans' obtaining of knowledge on the market economy. For this reason, this essay will come to a conclusion, with the examination of the factors that should be considered by the South Korean government should it go ahead with the KSP for the North, because they are necessary for its success.

First, one of them is North Korea's ownership of the program. The South needs to persuade the North in a way for the North to be awakened to the point that the KSP will contribute to the development of the North Korean economy. To attain this goal, the South needs to consider the North's payment of part of the cost of the program on a long-term basis. In the case of its technical cooperation with the international community for the introduction of a market economy, Moscow paid more than 78 percent of the costs for the program with loans from the World Bank, thus encouraging Russian officials' participation.

Second is the appropriateness of the method of selecting students for the program. As aforementioned, the sponsors of the program are required to exert their best efforts for increasing the effect of the programs to the maximum, conducting it under a roadmap drawn in consideration of the situation facing the North. Actually, the same factor was men-

tioned in an evaluation of a training program for tax and tariff officials from China, Mongolia and Russia under the Greater Tumen Initiative (GTI), originally known as the Tumen River Area Development Programme. The step-by-step selection of students is badly needed.

Third, the students, their cooperation partners and the contents of their program should vary according to the phases facing the North: the phase of seeking reforms and an opening, that of preparing reforms and an opening, and that of introducing reforms and an opening. Triangular cooperation involving the international community is meaningful for the program because of its provision of capital and knowledge for the program and its support of inter-Korean unification. The South Korean government needs to play a role in facilitating the participation of an expert group, institutions and cooperation partners in the program and dealing with various elements related with it because their active role in the program is essential for its success. It also needs to seek international institutions' cooperation with the program because the recipient countries in the program probably need to get their membership later.

Lastly, the transparency of the program is important in getting the assistance of the international community. The provision of knowledge, how-how and assistance of international institutions has served as a factor critical to the success of some countries in their regime change. The international support for and assistance to the KSP for the North as well as various elements in South Korea will undoubtedly require transparency. For this reason, the South Korean government needs to ensure the transparency of the KSP for the

North, through its transparent operation, and proper monitoring of its effects.

(This is an excerpt from a Korean essay carried in the November 2014 edition of the KDI Review of the North Korean Economy, a monthly journal published by the Korea Development Institute (KDI), a key government-financed think-tank in Seoul.)

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#### Notes:

- 1) Heo Joon-young, "An Investigative Study for Seeking a New Way of Supports to North Korea: Focusing on Education of North Korean High-level Manpower on the Market Economy," Korea Journal of Public Administration, Vol. 50, No. 4, (Seoul, The Graduate School of Public Administration at Seoul National University, 2011), cf.
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- 5) Randall Ireson, "Study Tours and Training Programs for DPRK Specialist," in Shin & Lee, U.S.-DPRK Educational Exchanges: Assessment and Future Strategy. p.119; Yoon Byeong-soo, op. cit., pp.12~13; Heo Joon-young, op. cit., p.12.
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- 7) The Korea Economic Development Association was established on June 8, 2013, with its mission aimed at attracting more of foreign investments in the economic development zones of the North.
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**Internal Affairs****N. Korean leader inspects new mushroom farm in Pyongyang**

North Korean leader Kim Jong-un has visited a newly built mushroom farm in Pyongyang, along with his aides and younger sister, Kim Yo-jong, the North's official media said on Jan. 10.

Kim was accompanied by his younger sister, who holds the post of vice department director of the Workers' Party central committee; Hwang Pyong-so, director of the Korean People's Army general political bureau; Han Kwang-sang, department director of the party central committee; and Ri Jae-il, first vice department director of the party central committee.

The visit was reported by the (North) Korean Central News Agency (KCNA), but the news agency did not reveal the exact date of it.

Kim showed "great satisfaction" with the construction of the farm, which is the first implementation of the party's policy to build modern mushroom farms across the country, the KCNA said. (Yonhap)

**N. Korean leader makes New Year visit to orphanage**

North Korean leader Kim Jong-un, accompanied by his younger sister, visited an orphanage in Pyongyang on New Year's Day, calling for special care for orphans, the North's official news agency reported on Jan. 2.

Kim "visited the Pyongyang Baby Home and Orphanage on January 1 to give New Year blessings to the children," the Korean Central News Agency (KCNA) said, adding that the visit was made right after his national New Year's address.

The choice of an orphanage as his first public outing of the year is believed to highlight the leader's special attention to public welfare and those who are underprivileged.

In his closely-watched New Year's address, Kim made a reference to his special focus on children by saying that he hopes for a brighter future for the beloved children.

"All the facilities at the Pyongyang Baby Home and Orphanage fully reflect the advantages of the socialist system of the country," Kim was quoted as saying during the visit.

Kim also directed officials, nurses and teachers there "to successfully bring up the children as their real mothers would do," the KCNA also said.

Notable among the high-ranking officials who accompanied Kim to the orphanages was Kim Yo-jong, the younger sister of the leader.

Since the North first unveiled the official title of the sister as a vice department director of the Workers' Party of Korea Central Committee in November, Kim has been often seen accompanying her brother to public appearances. (Yonhap)

## **N. Korea holds rare meeting of logistics troops**

North Korean leader Kim Jong-un hosted the country's first meeting of supply and support troops in two decades, apparently aimed at strengthening his grip on the military, according to Pyongyang's state media on Dec. 25.

"The party and the country and its people always remember the efforts of the logistic personnel, who have devotedly worked for the servicepersons invariably in rain or shine, sharing the will and purpose with their supreme commander," Kim was quoted as saying by the Korean Central News Agency (KCNA).

It did not specify the time and venue for the event.

It marks the first time that the North has held such a national meeting of logistics personnel of the Korean People's Army (KPA) since March 1993.

It represents an "epochal turn," the KCNA said in the English-version report, adding it provided an important landmark for efforts to develop the supply service field of the military.

Kim also took a group photo with the participants of the session, also attended by Hwang Pyong-so, director of the general political bureau of the KPA, and Defense Minister Hyon Yong-chol, and Ri Yong-gil, chief of the KPA General Staff. (Yonhap)

## **N. Korea replaces deputy chief of mission to U.N.**

North Korea has recently replaced the deputy chief of its mission to the United Nations in New York, diplomatic sources said on Dec. 17, a personnel change that followed the recent U.N. passage of a unusually strong human rights resolution against the communist country.

"Around two weeks ago, North Korean deputy ambassador to the U.N., Ri Tong-il, was replaced and he returned to the North," one of the sources, well-versed in U.N. matters, told Yonhap News Agency. "As far as I know, his successor, Deputy Ambassador An Myong-hun, has entered New York."

The decision to replace Ri, a well-known U.N. expert, comes as a surprise at a time when the North is undergoing a critical phase at the international body over its human rights situation.

A U.N. committee has recently adopted a resolution that calls on the U.N. Security Council to refer the North's dire human rights situation to the International Criminal Court, the first U.N.-level attempt to bring the North Korean leadership to justice over human rights violations.

The incoming deputy mission chief was previously the counselor at the North Korean mission in Geneva and has served at the U.S. department at the North Korean foreign ministry, as well as the top negotiator for the 2012 food aid talks with the U.S.

The U.N. sources, however, dismissed some diplomatic speculation that the recent replacement of Ri was the result of the U.N. mission's failure to block the passage of the human rights resolution.

"If it was for the punishment for the North Korea human rights resolution, it would have been more appropriate to punish the ambassador," another source said. "It hardly seems to be a punitive action because the possibility of replacing Deputy Ambassador Ri has long been mentioned after his long stay there," the source noted. (Yonhap)

## **N. Korea boycotts protest letter over Kaesong wage**

North Korea has refused to accept a protest letter from South Korea over its unilateral decision to amend the wage system for its workers at a joint industrial zone in its border city of Kaesong, a Seoul official said on Dec. 16.

The North earlier said it has scrapped the 5-percent cap on the annual increase rate in minimum wages for around 53,000 employees at the Kaesong Industrial Complex. It also announced plans to relax requirements for overtime and severance pay for them.

The South said the North's measure is unacceptable, because the working conditions for the Kaesong workers should be decided through inter-Korean agreement.

"The (South Korean) government tried to deliver a fax message regarding its formal position on the matter but the North refused to accept it," the unification ministry official told reporters.

Pyongyang claims the revision of the wage and other regulations on the industrial complex is an exercise of its sovereign rights, he added.

The official said Seoul will deal resolutely with Pyongyang's unilateral move.

The Kaesong Industrial Complex, launched in 2004, is a by-product of the historic inter-Korean summit in 2000. It currently houses about 120 South Korean garment and other labor-intensive plants. (Yonhap)

### **External Affairs**

## **N. Korea voices regret over killing of 4 Chinese**

North Korea has expressed regret over the killing of four Chinese citizens by a runaway North Korea soldier late December and the alleged perpetrator was shot dead during a manhunt, according to China's foreign ministry on Jan. 8.

The North Korean soldier crossed into the Chinese border town of Nanping, just north of the Tumen River overlooking North Korea's North Hamkyong Province, and killed four elderly Chinese people on Dec. 28 last year during a robbery attempt.

China has lodged a rare diplomatic protest with North Korea over the killing, but appears keen to avoid further straining ties with its only treaty ally, Pyongyang, describing the border incident as "an individual criminal case."

"After the incident occurred, the Chinese police immediately launched a manhunt operation. During the operation, the killer was shot and died later after medical treatment failed to revive him," China's foreign ministry spokesman Hong Lei said in a statement posted on the ministry's website in the previous day.

"The DPRK (North Korea) side expressed its regret that such an incident happened, and conveyed

its sympathy to the family of the victims,” Hong said.

“This is an individual criminal case,” Hong said, adding that the two nations have been “carrying out follow-up investigations and dealing with the case in accordance with the law.”

It is not uncommon for North Korean soldiers or citizens to cross the border into Chinese towns and attempt robberies.

In December 2013, a North Korean defector in his 20s killed an elderly Chinese couple in the Chinese border city of Yanji and stole 20,000 yuan (US\$3,210). The North Korean defector was caught by Chinese authorities after fleeing to Beijing. (Yonhap)

## **China sends congratulatory message to N. Korea on Kim’s birthday**

China said on Jan. 8 that it has sent a message of congratulation to North Korea on the birthday of the North’s young leader, Kim Jong-un.

“China and North Korea have a long-standing tradition of friendly exchanges. We have sent our message of congratulation,” China’s foreign ministry spokesman Hong Lei told reporters, when asked whether China sends such messages to North Korea.

Kim, who took power three years ago after the death of his father, Kim Jong-il, was born on Jan. 8, although his exact age is unknown. (Yonhap)

## **N. Korea slams military intel pact by regional powers**

North Korea lashed out at South Korea, the United States, and Japan on Dec. 30 for signing a deal on sharing military information on the communist nation.

Under the pact that went into effect on Dec. 29, South Korea and Japan will share intelligence via the U.S., especially on the North’s nuclear weapons and missile activities.

Uriminzokkiri, the North’s main Internet-based mouthpiece, described it as a “grave military provocation.”

The agreement is aimed at “crushing our republic to death militarily and invading” the country, the website said in a commentary.

It claimed the accord represents a full-fledged move to establish a trilateral alliance, which raises the likelihood of nuclear warfare in the region.

Many agree that the pact is a highly symbolic breakthrough in Washington’s efforts to bolster three-way defense ties with Seoul and Tokyo, which are locked in decades-old history and territorial disputes. (Yonhap)

## Inter-Korean Affairs

### **Kaesong-based firms bask in decent growth: data**

The overall earnings of ten South Korean companies that are operating in a jointly-run inter-Korean industrial complex have increased by an average of over 10 percent per year since 2005, data showed on Jan. 19, indicating that they have been doing relatively well despite political tensions that have emerged over the years.

The South Korean firms doing business in the Kaesong Industrial Complex, a manufacturing zone jointly run by the two Koreas in a North Korean border city, posted an annual operating growth of 11.75 percent from 2005 to 2013, according to the data compiled by an association for South Korean firms in the industrial complex.

The complex, which first opened its doors to South Korean companies in late 2004, has served as a major revenue source for the cash-strapped communist country, as the firms employ North Korean workers.

The complex has had its share of difficulties whenever inter-Korean relations turned particularly sour, including a five-month business halt in 2013, but the latest figures show that their involvement in the industrial zone has been conducive to their earnings on cheap labor and other production costs.

Romanson Co., for example, saw that its net profit have risen by double-digit figures on average annually for eight years since its business in Kaesong began in 2005. Share prices of the watchmaker, listed on the local tech-laden KOSDAQ market, have also jumped nearly 620 times over the cited period.

Local stock funds with exposure to such companies operating in the inter-Korean complex have been enjoying strong returns as well. "Hi Korea Unification Renaissance Stock Fund," launched by local asset manager Hi Asset Management Co., delivered a return of 9.79 percent during the eight-month period since its introduction in mid-May.

"The low cost of labor in Kaesong has been a considerable advantage for the companies' competitiveness," an official at Hi Asset Management said. "It's evident that the firms operating there have been logging higher earnings, and you can also see that in the share prices." (Yonhap)

### **Defector group to scale back anti-N.K. leaflet campaign**

Heeding a government suggestion, a key anti-North Korean civic group said on Jan. 16 that it will scale back its campaign to send anti-Pyongyang propaganda leaflets across the border amid a burgeoning thaw in inter-Korean relations.

"We understand the government's position and accept its request," Lee Min-bok, head of the Campaign for Helping North Korean in Direct Way, a civic activist group, told Yonhap News

Agency by phone. “We’re not going to excessively spread anti-North Korea leaflets for the time being.”

The Campaign is one of two major civic groups that have regularly flown large amounts of anti-Pyongyang leaflets by balloons across the border. The leaflet campaign targeting North Korean leader Kim Jong-un has been a constant source of friction between the two Koreas.

North Korea has openly threatened to retaliate against organizers of the leaflet campaigns who are mostly defectors from the North. But the Seoul government has refused to intervene, citing the constitutionally guaranteed freedom of expression.

But the Seoul government appears to be changing its position on the issue following a court ruling in December that government authorities can intervene and stop the leaflet campaign if it threatens the safety of people living in border areas.

The move by Lee’s group came one day after the Unification Ministry separately met heads of the two civic groups and requested them to refrain from flying the leaflets.

Lee, in response, said his group will honor the government’s suggestion but stressed that there will be no “drastic” cut in the frequency of the leaflet campaign, however.

Park Sang-hak, also a North Korean defector who heads the other activist group that leads the campaign, said he is considering suspending his plan to send DVDs of a Hollywood film about a fictional plot to kill the North Korean leader across the border by balloon, according to sources. (Yonhap)

## **Park vows to focus on N.K. humanitarian projects**

South Korean President Park Geun-hye said on Jan. 9 she plans to expand inter-Korean exchanges this year with a focus on providing humanitarian aid to the North Korean people.

Park made the remarks at a New Year’s meeting with some 500 South Korean women leaders, asking that they actively take part in efforts to reunite the two Koreas.

“The last major task ahead of us is to overcome the disconnection and conflict of 70 years of separation and open the path to an era of a reunified Korean Peninsula,” Park said during the meeting at the Korean Women’s Development Institute in northern Seoul.

“In the new year, I plan to carry out practical and specific inter-Korean exchange and cooperation projects in order to lay the foundation for a peaceful reunification of the Korean Peninsula.”

The two Koreas remain technically at war as the 1950-53 Korean War ended in a ceasefire, not a peace treaty.

“I plan to prioritize humanitarian projects aimed at reducing the pain of the North Korean people’s lives, such as aid projects in maternal and child health care,” Park said. (Yonhap)

## **N. Korea urges S. Korea to curb leaflet campaign**

North Korea called on South Korea on Jan. 7 to put a brake on the spread of anti-Pyongyang leaflets by activists here if it genuinely wants a resumption of dialogue.

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The call came two days after a North Korean defectors' group flew balloons with leaflets criticizing and ridiculing the communist regime toward the North from a border area.

The North's state-run Korean Central News Agency (KCNA) claimed in a commentary that South Korea is out of step with the North's "goodwill and generosity" for improved bilateral ties by winking at the leaflet campaign.

"Such a reckless act was done at a time when all Koreans in the North and the South and abroad were eagerly hoping to see mended North-South relations," said the KCNA.

"It is a blatant challenge to the DPRK's sincere stand and appeal for improved North-South relations and national reunification and a last-ditch effort to obstruct the improvement of north-south relations and spoil an atmosphere of dialogue."

DPRK is the acronym for the country's formal name, the Democratic People's Republic of Korea.

It was referring to Kim's speech aired on Jan. 1, in which he emphasized the need to improve inter-Korean relations this year, which marks the 70th anniversary of Korea's liberation from Japan's 35-year colonial rule.

He said Pyongyang is willing to engage in various types of dialogue with Seoul even at the highest level. (Yonhap)

## **S. Korean organizers of 2018 Winter Games oppose co-hosting with N. Korea**

The organizing committee for the 2018 Winter Olympics in the South Korean resort town of PyeongChang said on Jan. 6 it is opposed to co-hosting the quadrennial competition with North Korea, rejecting a view expressed earlier by the governor of the host city's home province.

Kwak Young-jin, the committee's vice president of planning and administration, reiterated PyeongChang's earlier stance that PyeongChang will not split any event of the Olympics with any other city.

"With the construction for all competition venues already under way, we have already made it crystal clear that there is no point of discussing co-hosting of the Olympics," Kwak said in a hastily scheduled press conference at the committee's headquarters in Seoul. "We're concerned that talks of co-hosting the Olympics at this stage will only have adverse effects on PyeongChang's Olympic preparations."

Kwak's remarks were in response to comments by Choi Moon-soon, governor of Gangwon Province, on Jan. 5 that PyeongChang could consider sharing the Winter Olympics with North Korea.

Saying he wanted to express his personal opinions, Choi told Yonhap News Agency on the phone that co-hosting the Olympics with North Korea would help make the event "a symbol of peace" on the divided peninsula, even though doing so may be "physically impossible" with the Olympics barely three years away.

Choi said events that don't require expensive construction of additional facilities could be held north of the border and cited snowboarding as an example.

Choi's comments were an abrupt departure from PyeongChang's long-held stance that it would not split the Winter Games with North Korea. Last month, PyeongChang had to fend off speculation

that it was being pressured by the International Olympic Committee (IOC) to move some events to another country to save construction costs and declare the Olympics will stay in South Korea.

Kwak expressed “grave concerns and strong regret” over Choi’s words, saying the governor made “inappropriate comments that disappointed the people of South Korea.”

PyeongChang won the bid to host the 2018 Olympics in 2011, beating Munich, Germany, and Annecy, France, in an IOC vote, after losing its two previous bids. (Yonhap)

## **S. Korea sends sweet potatoes to N. Korea for ‘nutritional’ aid**

South Korea approved the shipment of unprocessed sweet potatoes to North Korea in December by a civilian group here, an official said on Jan. 5, amid speculation that Seoul may be easing restrictions on humanitarian aid for the impoverished neighbor.

“The 20 tons of sweet potato aid at the end of last year were intended as nutritional assistance for babies and infants including those at an orphanage in the Sinuiju area,” the unification ministry’s spokesman Lim Byeong-cheol said at a press briefing.

It was the first time for the South’s Park Geun-hye administration to permit the shipment of unprocessed crops to the North.

The government had only allowed the provision of processed foods, such as powder types, which are more difficult to be diverted to the military due to a relatively short storage time. (Yonhap)

## **S. Korea to offer US\$620,000 in N. Korea aid via UNESCAP**

South Korea said on Dec. 31 it will provide North Korea with US\$620,000 in aid through the U.N. Economic and Social Commission for Asia and the Pacific (UNESCAP).

In 2006, the unification ministry, which is in charge of Seoul’s ties with Pyongyang, signed a deal with the Bangkok-based agency to cooperate in a “technology assistance” project worth a total of \$4.17 million.

The UNESCAP has been working to help North Korean officials learn skills in technology-related sectors such as the environment, energy, water resource management, and transportation.

The government plans to use the inter-Korean cooperation fund for the aid, according to the ministry’s spokesman Lim Byeong-cheol.

“The UNESCAP plans to carry out its technology aid program in various fields in the first half of next year,” he said. (Yonhap)

## **N. Korea denies involvement in hacking of South’s nuclear power operator**

North Korea again denied its involvement in the hacking of South Korea’s nuclear power station operator on Dec. 28, calling the allegation “a trumped-up plot against the communist country.”

The state-run Korea Hydro & Nuclear Power Co. (KHNP) has suffered a series of cyber attacks that has raised safety concerns in a country that relies on 23 nuclear reactors for one-third of its



energy needs. Over the past week, an anonymous anti-nuclear group posted a series of documents and operating manuals for a number of South Korean nuclear reactors on the Internet.

South Korean officials have not ruled out the possible involvement of North Korea, which has a track record of waging cyber attacks on major financial institutions, government websites and media organizations in the South.

“South Korea is blindly trying to link the recent hacking of its nuclear power stations to us,” said the Rodong Sinmun, an organ of the North’s ruling Workers’ Party of Korea. “It is a totally groundless fabrication.”

South Korea should first come up with evidence if it wants to blame the incident on North Korea, the newspaper said. (Yonhap)

## **N. Korea returns S. Korean man via Panmunjom**

North Korea repatriated a South Korean man accused of illegal entry on Dec. 28, Seoul’s unification ministry said.

The 52-year-old, identified only by his surname Ma, was sent back to the South through the truce village of Panmunjom, it said.

“The government will proceed with medical check-ups for him and work to confirm the reason for, and method of, his entry into the North,” Park Soo-jin, the ministry’s deputy spokeswoman, said at a press briefing.

North Korea said Ma entered the North illegally in late November.

Pyeongyang’s repatriation of him is apparently a routine humanitarian move. In a similar case, the North returned a South Korean man in September. (Yonhap)

## **Hyundai chief, ex-president’s aides visit N. Korea**

The chief of South Korea’s Hyundai Group and officials of a center to commemorate former President Kim Dae-jung visited North Korea on Dec. 24 to meet with the North’s point man on the South, officials said.

The two groups -- one comprised of six officials of the Kim Dae Jung Peace Center, including former culture minister Kim Sung-jae, and the other a seven-member delegation from Hyundai Group led by its chief Hyun Jeong-eun -- made a separate one-day trip to the joint industrial complex in the North’s border city of Kaesong later in the day, according to officials of the two entities.

During the trip, the delegations plan to meet with Kim Yang-gon, director of the North’s United Front Department in charge of South Korean affairs, who invited them to his country to express thanks to the South Korean delegations.

The previous week, the South Korean officials visited the border city to deliver a wreath commemorating the communist country’s late leader Kim Jong-il on the occasion of the third anniversary of his death. Kim Jong-il was the father of North Korea’s current leader, Kim Jong-un.

The Seoul government, however, rejected on Dec. 23 the request of Rep. Park Jie-won of the

main opposition New Politics Alliance for Democracy, who is one of the closest aides to Kim Dae-jung, for crossing the border again in a week, simply saying the decision is “in consideration of various situations.”

Kim Yang-gon’s invitation came as a surprise as the delegations had already been thanked by Won Dong-yon, the deputy head of North Korea’s United Front Department and vice chairman of the Asia-Pacific Committee, during their visit the previous week.

“We are simply making the trip as the North Korean leader Kim Jong-un reportedly hopes to express thanks for the wreath sent by Lee Hee-ho,” the former minister Kim told reporters before crossing the border. Lee is the widow of former South Korean President Kim Dae-jung.

“I have nothing to comment, but if there’s something special after my meeting with Kim Yang-gon, I will speak to the media,” he added.

Former president Kim held the first-ever inter-Korean summit with the then North Korean leader Kim Jong-il in 2000, for which he received the Nobel Peace Prize the same year.

In August, Pyongyang sent a wreath of flowers commemorating the fifth anniversary of the death of the late South Korean president. The exchange of visits came as government-level dialogue has been suspended amid strained inter-Korean ties.

Hyundai Asan Co., a unit of Hyundai Group, operated a joint tour program on the North’s scenic Mount Kumgang for a decade before the program was halted in 2008 following the shooting death of a female South Korean tourist there. (Yonhap)

## **S. Korean visitors to N. Korea tumbled in 2013**

The number of South Koreans visiting North Korea tumbled in 2013 from five years earlier due to deadlocked inter-Korean relations, a government report showed on Dec. 24.

According to Statistics Korea’s key North Korean data report, the number of South Korean visitors to the North reached 76,503 last year, only 41 percent compared with 2008 when it stood at 186,443 in 2008.

The drop is linked to the North detonating its third nuclear device on Feb. 12 and trouble surrounding operations at the inter-Korean Kaesong Industrial Complex that was shut down for several months, North Korea watchers said.

The office said visitors to the country reached their highest level in 2008 after regular movement of personnel over the Demilitarized Zone kicked off in 1997. In the first year, only 136 people made the crossing.

It said numbers for 2008 could have been larger had it not been for the shooting death of a South Korean tourist at the Mount Kumgang resort in southeast North Korea on July 11. The death led to all tours to the scenic mountains being suspended and caused the number of travelers going to North Korea to fall to 120,616 in the following year.

Statistics Korea said that although normal operations have resumed at the Kaesong complex, it is unlikely visitor numbers will go up to previous annual numbers for 2014. (Yonhap)

## **S. Korea raps N. Korea for criticizing party disbandment**

South Korea urged North Korea on Dec. 22 to stop a propaganda campaign against Seoul's decision to disband a pro-Pyongyang political party.

"Our government expresses serious regret over North Korea's unilateral claim with regard to the disbandment of the Unified Progressive Party (UPP)," the unification ministry's spokesman Lim Byeong-cheol said at a press briefing.

He called on the North to immediately stop interfering in the South's internal affairs and seeking to use it for propaganda purposes.

The previous week, South Korea's Constitutional Court accepted the conservative Park Geun-hye administration's petition that the UPP, created in 2011, should be banned as it had backed the communist neighbor.

The North was quick to denounce Seoul for the ruling.

In a statement in English on Dec. 20, the Committee for the Peaceful Reunification of the Fatherland argued the "forcible disbandment of the legitimate political party as part of violence of elementary political freedom and democratic right in South Korea is a crime against humanity and a hideous and crucial case that blatantly challenges human civilization and universal human rights." (Yonhap)

## **N. Korean fisherman rescued in S. Korean waters**

A North Korean fisherman has been rescued while drifting in South Korean waters, and is scheduled to be sent to his homeland soon, the Seoul government said on Dec. 22.

The South's coast guard rescued the North Korean citizen on Dec. 19 when his 72-ton trawler was drifting in the East Sea near the small islets of Dokdo, according to the Unification Ministry, which handles inter-Korean affairs.

The ship had gone adrift from a North Korean port in South Hamkyong Province after the anchor rope that held the vessel snapped due to an unidentified reason, the ministry noted.

As the fisherman in his 20s aboard the ship expressed his wish to return home, the government plans to repatriate him to the North on Dec. 23.

"We sent a message today via the liaison channel at the truce village of Panmunjom to notify the North of the repatriation plan," a ministry official said.

It is not unusual for North Korean fishermen to be picked up here from boats drifting in South Korean waters. Despite tensions, the two Koreas have a practice of repatriating civilians who accidentally land in each other's territory in a humanitarian move.

In November 2014, 10 North Korean fishermen were rescued in the East Sea and handed over to their communist homeland. (Yonhap)

## **S. Korea to expand aid for N. Koreans in need in 2015**

South Korea said on Dec. 22 that it will expand support for North Koreans in 2015, especially pregnant women, babies and their mothers.

The government will step up efforts to implement President Park Geun-hye's "Dresden Declaration," a three-point proposal to Pyongyang for boosting "humanity, co-prosperity, and integration" of the two Koreas, in the coming year, according to the economic policy plan for 2015.

But Seoul's plan will apparently depend on the communist neighbor's attitude amid unrelenting military tensions on the peninsula.

South Korean officials believe the Kaesong Industrial Complex can serve as a test site for Seoul's push for reaching out to North Koreans. About 52,000 North Korean workers are employed by the South's firms in the inter-Korean zone and some 40,000 of them are women.

The government is considering a set of projects to provide nutritional assistance for them, improve medical services and build more nurseries in the Kaesong area.

"Details of the envisioned programs will be decided through consultations with North Korea later," a government official said.

The South is also trying to help the North develop its agricultural, livestock and forestry sectors.

In 2015, Seoul also plans to seek the start of full-fledged trilateral economic partnerships with the North and Russia. A formal contract is expected during the year on the so-called Rajin-Khasan project, under which the South's top steelmaker, POSCO, seeks to bring in Russian coal via the North's port in Rajin. (Yonhap)

## **Seoul urges Pyongyang to follow Cuba's path in external ties**

South Korea called on North Korea on Dec. 19 to follow Cuba's footsteps in improving ties with the U.S. and other nations.

The U.S. and Cuba announced their decision earlier in the week to end five decades of Cold War hostility and revive diplomatic ties. It has effectively made North Korea the only diplomatically-isolated nation on the planet.

"With this latest decision, (we) expect acceleration of Cuba's fence-mending with the international community and hope that North Korea would actively join the trend of change in the international community too through the right choices," Seoul's foreign ministry said in a statement.

The South "welcomes the decision between the U.S. and Cuba to push for normalized relations," it added. "Our government expects and supports the leaders of the two countries' efforts to end 50-years of conflict and isolation and open the door for a new era of cooperation."

The U.S.-Cuba rapprochement raised hopes for the possibility of Washington seeking a similar engagement mode with Pyongyang.

Responding to such speculations, however, the White House said on Dec. 18 North Korea is different from the Cuban case due to its nuclear weapons program.

North Korea kept mum on the surprise move by the U.S. and Cuba. (Yonhap)

## **S. Korean Christians cancel plan for Christmas tree near N. Korea**

A local Christian group said on Dec. 18 it has dropped a plan to set up a giant Christmas tree-shaped tower near the tense border with North Korea.

The announcement by the Christian Council of Korea (CCK) came two weeks after North Korea warned that the Christian group will be held responsible for unspecified consequences if it builds a new tower and lights it up.

“Despite our sincere intention and motivation (of peace and love), it has drawn unnecessary misunderstandings that it would trigger inter-Korean tension as well as confrontation between conservative and progressive groups as well as jitters among local citizens,” Hong Jae-chul, an official of the CCK, said in a news conference.

South Korea’s military demolished the 30-meter-tall tower in October, citing safety concerns about the aging metal structure. The surprise move prompted the conservative Christian group to push to set up a new Christmas tree tower. It later won Seoul’s approval to build and light a new tower.

The Christmas tree on a peak near the western border has been a recurring source of inter-Korean tensions, with North Korea sometimes threatening to strike down the glowing structure.

The Aegibong peak is just across a border river that separates the two Koreas. A glowing Christmas tree at the peak can be seen with the naked eye from as far away as the major North Korean border city of Kaesong.

The North views the symbol of Christmas celebrations as part of Seoul’s psychological warfare toward the communist country, which has no religious freedom.

North Korea claims it guarantees religious freedom, but in practice it severely cracks down on any religious activity, viewing it as a challenge to leader Kim Jong-un’s rule. (Yonhap)

### **FOREIGN TIPS**

## **Late N.K. leader’s half-brother named ambassador to Czech Republic**

The half-brother of late North Korean leader Kim Jong-il was recently appointed Pyongyang’s top envoy to the Czech Republic after serving 17 years as ambassador to Poland, a South Korean government official said on Jan. 21.

Kim Pyong-il is a younger brother of Kim Jong-il, the father of current leader Kim Jong-un. He will be replaced in Warsaw by Ri Kun, the director general for North American affairs at North Korea’s foreign ministry, the official said on condition of anonymity.

“It has been determined that Kim Pyong-il recently took office as ambassador to the Czech Republic and Ri Kun has received (Poland’s) agreement to become ambassador to Poland,” the offi-

cial said, referring to diplomatic protocol in which a host country endorses a candidate for ambassador.

Cheong Seong-jang, a senior researcher at Seoul's Sejong Institute, said the new assignment appears to be a move to prevent Kim Pyong-il from building a power base around him as he has held one position for 17 years.

"Kim Pyong-il has been under Pyongyang's watch and held in check all his life," he said.

A government official said Ri Kun's appointment appears to be part of a generation change in the lineup of North Korean diplomats handling North American affairs. (Yonhap)

## **U.S. says 'more than ample evidence' exist for N.K.'s deplorable human rights record**

The United States said on Jan. 20 that "more than ample evidence" exists for North Korea's deplorable human rights situation, despite the recent confession from a North Korean defector that some of the accounts of the hard time he had in the totalitarian nation were incorrect.

Shin Dong-hyuk, one of the best-known North Korean defectors, has apologized for lying about some of the timeline and locations of his survival in North Korean political prison camps, admitting that he spent years in a less brutal Camp 18, rather than Camp 14.

Shin has been a vocal critic of the North's human rights violations since fleeing the North. He has also testified for a U.N. investigation that led to the publication of the U.N. Commission of Inquiry (COI) report that called for handling the issue as "crimes against humanity" at the International Criminal Court.

Shin's confession has spurred concern it could raise questions about the credibility of testimony from North Korean defectors, and deal a blow to international efforts to improve the North's human rights situation.

"This report should not distract from the issue at hand, which is the DPRK's deplorable human rights situation, for which more than ample evidence exists," a U.S. State Department spokesperson said on condition of anonymity, referring to the North by its official name. "The U.N. Commission of Inquiry report clearly found that there are ongoing, 'systematic, widespread, and gross' human rights violations in the DPRK, citing hundreds of interviews with victims and other witnesses."

## **No signs of nuclear test preparations at N. Korea's test site: think tank**

Commercial satellite imagery shows no signs of preparations for a nuclear blast at North Korea's underground test site, the website 38 North said on Jan. 16.

"As a result, a fourth nuclear test seems unlikely in the near-term, for at least the next two to three months," the U.S.-based website said. "However, it is quite possible that one or more tunnels at the facility are sufficiently complete to be readied for another nuclear test should Pyongyang make the political decision to move forward."

The North has so far conducted three nuclear tests at the Punggye-ri site in its northeast, in 2006,

2009 and 2013.

In early January, the North offered to temporarily suspend nuclear tests if the U.S. were to scrap joint military exercises in South Korea. The U.S. immediately rejected the proposal as an “implicit threat,” and urged Pyongyang to honor its denuclearization commitments.

In November, Pyongyang threatened to conduct a nuclear test after the Third Committee of the U.N. General Assembly passed a resolution that called for referring the North to the International Criminal Court for human rights violations. (Yonhap)

## **N. Korea seen to lift Ebola travel ban soon: tour firm**

North Korea is likely to soon lift an entry ban for foreigners that has been in place to prevent the spread of the Ebola virus into the reclusive country, a China-based travel agency specializing in tours to the North said on Jan. 16.

North Korea has barred foreign tourists from entering the country since last October, requiring all foreigners visiting the North to be put under quarantine for 21 days as a precaution against the spread of Ebola.

“We have been working closely with our partners in North Korea in regards to when the current Ebola travel restrictions will be lifted, and tourism to the DPRK (North Korea) will resume as normal,” the Xian-based Young Pioneer Tours said in a statement posted on its website earlier in the week.

“We are expecting the border to reopen very soon within the coming weeks,” it said.

In December, another China-based tour agency specializing in tours to North Korea, Koryo Tours, said that North Korea was expected to lift the Ebola-related entry ban on foreign tourists sometime during the first quarter of this year.

It was not the first time that North Korea closed its borders because of a deadly disease. In 2003, the North closed its borders for several months due to the spread of the SARS virus. (Yonhap)

## **N. Korea’s trade dependence on China deepens: report**

More than 90 percent of North Korea’s exports were bound for China in 2013, a report showed on Jan. 14, indicating that Pyongyang’s trade dependence on its main ally has deepened significantly over the past decade.

According to the report compiled by the Beijing office of the Korea International Trade Association, North Korea exported 90.6 percent of its products to China in 2013, much higher than the 50.9 percent tallied in 2003.

North Korea’s exports to China were estimated at US\$400 million in 2003, but they jumped by more than sixfold to \$2.9 billion in 2013, the report said.

Despite the increase, North Korean products accounted for only a small portion of China’s imports. The ratio of North Korean products in China’s total imports inched up from 0.1 percent to 0.15 percent over the measured period.

North Korea's investment in China grew 12.6 percent to \$2.68 million, most of which consisted of small-sized spending on shops and stores, the report showed.

China's investment in North Korea, meanwhile, expanded sharply from \$1.12 million to \$86.2 million over the same period.

The number of North Koreans visiting China also surged 162.5 percent from 80,000 in 2003 to 210,000 in 2013, the report said. (Yonhap).

## **Bush institute suggests using drones to send leaflets into N. Korea**

Nongovernmental organizations should think about using not only balloons, but also drones to send leaflets of outside information into North Korea, the institute run by former U.S. President George W. Bush said on Jan. 9.

It was one of the recommendations that the George W. Bush Institute suggested to break down North Korea's information barriers, as it issued the "Light through the Darkness" report, calling for improvement in the North's human rights situation.

The report called for the NGO community as well as governments to work with Silicon Valley to find and implement innovative ways to pierce the North Korean regime's information monopoly, such as "advancing the balloon drop injections of information into North Korea, perhaps through use of drones."

North Korean defectors and other anti-Pyongyang activists in South Korea have used large balloons to send propaganda leaflets across the border in an effort to provide North Korean people with outside information and let them know how bad their leaders are.

Pyongyang, which fears outside information would weaken the personality cult surrounding its leader, has reacted angrily to the leaflet campaign, even opening fire near the heavily armed border last year in an attempt to shoot down balloons.

The Bush institute put forward other suggestions under four main goals: raising global awareness of the North's human rights situation; supporting and empowering refugees; making the issue a priority for governments; and breaking the North's information barriers.

The report called on the U.S. government to integrate human rights into mainstream diplomacy in the six-party nuclear talks or the bilateral agenda with the North and to put pressure on Pyongyang by imposing sanctions specific to human rights abuses and considering putting the regime back to the list of state sponsors of terrorism.

"Satellite images of the Korean Peninsula show a startling contrast between the North and the South. While South Korea is alive with light, North Korea is shrouded in darkness. Just as stark is the contrast in human freedom," Bush said in a video message released along with the report.

While South Koreans live in a free and prosperous society, Bush said, 24 million North Korean people across the border "suffer tyranny, deprivation under brutal rule," adding that torture and political prison camps are "routinely used to keep the population in line."

Referring to last year's landmark U.N. report on the North's human rights record, Bush called for the world, especially those blessed to live in free societies, to do more to improve the human condi-



tion in the totalitarian nation.

“We can do more to support and empower refugees, break down information barriers within North Korea, and make human rights a priority for all governments. Please join me in standing with the people of North Korea,” he said. (Yonhap)

## **N. Korean army deserter kills 4 Chinese in border town: source**

A North Korean army deserter has been detained by Chinese authorities for allegedly killing four Chinese citizens in an apparent robbery in the Chinese border city of Helong, a source with knowledge of the incident said on Jan. 5.

The incident took place on Dec. 28 in the border town of Nanping in Helong, just north of the Tumen River overlooking North Korea’s North Hamkyong Province, the source said on condition of anonymity.

The gun-wielding North Korean man killed the four Chinese citizens and injured another Chinese person at their homes during an apparent robbery, according to the source.

Chinese police and military authorities caught the suspect after a manhunt. The suspect has since been under investigation, the source said.

Chinese authorities have not announced the incident and the country’s state-run media organizations also have remained silent.

“The Chinese authorities have ended a consultation with the North Korean side in dealing with the case and decided not to make the case public,” the source said.

It is not uncommon for North Korean soldiers or citizens to cross the border into Chinese towns and attempt robberies.

In December 2013, a North Korean defector in his 20s killed an elderly Chinese couple in the Chinese border city of Yanji and stole 20,000 yuan (US\$3,210). The North Korean defector was caught by Chinese authorities after fleeing to Beijing. (Yonhap)

## **U.S. withholds comment on N. Korea’s personal attack on Obama**

The United States withheld comment on Dec. 28 on a slur that North Korea made against President Barack Obama in anger over the release of the Sony Pictures comedy about a plot to kill North Korean leader Kim Jong-un.

Pyeongyang’s powerful National Defense Commission issued a statement the previous day rejecting U.S. accusations that the communist nation was behind a hacking attack on Sony and accusing Obama of forcing Sony to reverse its decision not to release the movie, “The Interview.”

It also hurled a personal slur, saying Obama acts “like a monkey in a tropical forest.”

North Korea has a track record of such personal attacks on U.S. and South Korean officials.

In May, the North also called Obama a “wicked black monkey” and a “monkey in Africa,” slamming his remarks that the U.S. wouldn’t hesitate to use military force if the South is attacked and the North cannot guarantee its security even if it develops nuclear weapons.

In August, Pyongyang also said U.S. Secretary of State John Kerry looks like a “wolf in sheep’s clothing,” blasting the top American diplomat for criticizing the regime for its nuclear weapons drive and human rights abuses. (Yonhap)

## **Putin invites N. Korean leader to Moscow in 2015**

Russian President Vladimir Putin has invited North Korean leader Kim Jong-un to Moscow in 2015, a news report said on Dec. 19, in what would be the first overseas trip by Kim.

“It is true that such an invitation has been sent,” Russian state news agency TASS said, citing Russian presidential spokesman Dmitry Peskov.

The invitation is timed for the 70th anniversary of the former Soviet Union’s victory over Nazi Germany.

Still, it remains unclear whether Kim will visit Moscow for the annual celebration that falls on May 9 as other foreign leaders could attend it.

Kim has never visited a foreign country since he inherited power upon the death of his father and long-time leader Kim Jong-il in 2011.

The report came a month after Kim’s special envoy, Choe Ryong-hae, visited Moscow and met with Putin.

Informed sources said Putin invited Choe to visit Moscow in November. They did not elaborate and asked not to be identified, citing policy.

Choe’s visit came at a time when Pyongyang was struggling to find a diplomatic exit amid growing international pressure over its alleged dismal human rights record.

On Dec. 18, the U.N. General Assembly formally adopted a landmark resolution calling for referring North Korea to the International Criminal Court for human rights violations. (Yonhap)

## **U.S. Congress passes legislation requiring report on N.K. political prison camps**

The U.S. Congress has passed legislation that requires the government to submit a report on North Korea’s political prison camps amid mounting international pressure on Pyongyang over its human rights violations, sources said on Dec. 12.

The bill, H.R.4681, passed through the House of Representatives and the Senate on Dec. 9 and 10, respectively, the sources said. It was believed to be the first time that Congress has requested a report on the North’s prison camps.

The move came as international pressure has been mounting on North Korea to improve its human rights record, with a U.N. General Assembly committee passing a landmark resolution in November that calls for referring the issue to the International Criminal Court.

When the bill was first initiated in the House by Mike Rogers (R-MI), it did not require reporting on the North’s prison camps. But the section was included in the Senate version of the bill submitted by Dianne Feinstein (D-CA) and was later added to the final legislation, the sources said.

The legislation calls for the government to submit a report on the North's prison camps to the intelligence committees of the House and the Senate, and to the Senate Foreign Relations Committee and the House Foreign Affairs Committee.

The report should describe the actions the United States is taking to support implementation of the recommendations of the U.N. Commission of Inquiry on the North's human rights, including the eventual establishment of a tribunal to hold individuals accountable for abuses, the legislation said.

It should also include the estimated prisoner population of each such camp, its geographical coordinates, the reasons for confining the prisoners at each camp, a description of the primary industries and products made at each such camp, and the end users of any goods produced at each camp.

The legislation also calls for information identifying individuals and agencies responsible for conditions in each political prison camp at all levels of the North's government, a description of the conditions under which prisoners are confined, with respect to the adequacy of food, shelter, medical care, working conditions, reports of ill-treatment of prisoners, and unclassified imagery, including satellite imagery, of each such camp.

North Korea has long been labeled as one of the worst human rights violators in the world. The communist regime does not tolerate dissent, holds hundreds of thousands of people in political prison camps and keeps tight control over outside information. But Pyongyang has bristled at such criticism, calling it a U.S.-led attempt to topple its regime. (Yonhap)

## **N. Korea seen to lift Ebola travel ban in Q1 of 2015**

North Korea is expected to lift an Ebola-related entry ban on foreign tourists sometime during the first quarter of 2015, according to a Beijing-based tour agency on Dec. 11.

North Korea began barring foreign tourists from entering the country in late October and has required all foreigners visiting the North to be put under quarantine for 21 days as a precaution against the spread of Ebola.

"The latest information we currently have from our contacts is that the temporary suspension of tours to North Korea -- enacted by the DPRK (North Korea) government on 25 October 2014 in response to the outbreak of Ebola in West Africa -- will be lifted at some point during Q1 of 2015," the British-run Koryo Tours said in an announcement on its website.

"While the exact date is yet to be confirmed at this stage we are confident that tours will resume during this period and will be sure to post more detailed news here as soon as we have further updates," said the agency specializing in travels to North Korea.

Koryo Tours also said it has been told by a North Korean sports official that the country will invite foreign tourists to an annual marathon to celebrate its founder's birthday, the 2015 Pyongyang Marathon set for April 12.

"A North Korean official at the DPRK's Ministry of Sport has since confirmed with us that the Pyongyang Marathon on 12 April 2015 will be open to international tourists," it said.

North Korea closed its borders for several months in 2003 because of the spread of the SARS virus. (Yonhap)

## PEOPLE

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

- Dec. 16 gives field guidance to the Pyongyang Children's Foodstuff Factory.
- 23 gives field guidance to the Pyongyang Catfish Farm.
- 24 visits the Kumsusan Palace on the 23rd anniversary of the late leader Kim Jong-il's assumption of KPA supreme commandership.
- 25 has a photo session with the participants in the second meeting of KPA logistics personnel.
- 25 sends letters of thanks to the widow of South Korea's former president Kim Dae-jung and to the chairwoman of Hyundai Group.
- 30 guides a multiple-rocket launching drill of women's sub-units under KPA Unit 851.
- Jan. 1 delivers a New Year's address for 2015.
- 1 sends a congratulatory message to Ho Jong-man, chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongryon).
- 1 visits the Pyongyang Baby Home and Orphanage to give New Year's blessings to the children.
- 1 calls for a build-up of the armed forces and defense capabilities in his New Year's address and addresses the issue of national reunification.
- 7 guides a recoilless gun firing contest of units directly under first infantry divisions of the KPA's frontline corps.
- 10 gives field guidance at the newly built Pyongyang City Mushroom Farm.
- 13 inspects the command of the KPA Air and Anti-Air Force.

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

- Dec. 16 sends a message of greeting to Hamad Bin Isa al Khalifa, king of Bahrain, on the country's national day.
- 18 sends a message of greeting to Tamim Bin Hamad Al-Thani, emir of Qatar, on its independence day.
- Jan. 4 sends a message of greeting to Thein Sein, president of Myanmar, on the occasion of the 67th anniversary of its independence.
- 11 sends a congratulatory message to Maithripala Sirisena on his election as president of Sri Lanka.

**Pak Pong-ju: Premier**

- Dec. 18 sends a message of sympathy to his Pakistani counterpart Muhammad Nawaz Sharif in connection with the recent terrorist attack in Pakistan that claimed many casualties.
- 20 sends a congratulatory message to Roosevelt Skerrit on his reappointment as Dominican prime minister.
- 20 sends a message of greeting to Hun Sen, prime minister of Cambodia on the occasion of the 50th anniversary of diplomatic relations between the two nations.
- 26 makes a field survey of the Kim Chaek Iron and Steel Complex.
- 30 makes a field survey of the Hwanghae Iron and Steel Complex.

**CHRONOLOGICAL REVIEW****(Local Events)**

- Dec. 16 South Korean opposition lawmaker Park Jie-won visits the North Korean border city of Kaesong to convey a wreath commemorating the third anniversary of the death of Kim Jong-il, on behalf of Lee Hee-ho, widow of former South Korean President Kim Dae-jung.
- 18 The spokesman for the Committee for the Peaceful Reunification of Korea (CPRK) claims South Korean authorities have no authority to talk about human rights.
- 19 A national exhibition of landscape paintings and craftwork opens at the Pyongyang International House of Culture to celebrate the 97th anniversary of the birth of anti-Japanese war hero Kim Jong-suk.
- 19 The Orangchon Power Station No. 2 in North Hamgyong Province is completed.
- 19 The KCNA says Pyongyang Medical College of Kim Il-sung University has developed a new medicine efficacious for osteopathy.
- 20 The CPRK Secretariat blasts the South Korean authorities for “letting” the Constitutional Court disband the Unified Progressive Party.
- 22 The Rodong Sinmun says the U.S. is the DPRK’s (North Korea) unchangeable principal enemy.
- 22 The Rodong Sinmun claims that South Korean groups’ “anti-DPRK human rights conspiratorial racket has reached its height,” as evidenced by the move to refer North Korea’s human rights conditions to U.N. Security Council.
- 25 A meeting of workers and members of the General Federation of Trade Unions of Korea takes place at the Central Hall of Workers in Pyongyang to mark the 3rd anniversary of Kim Jong-un’s assumption of the supreme commandship of the KPA.
- 26 The DPRK Red Cross Society hands over a South Korean resident, who illegally entered into the territory of the North, to the South’s Korean Red Cross via the truce village of Panmunjom.

- Dec. 26 A ceremony marking the completion of construction of the Hamju Chusang Power Station No. 1 power station takes place at the site.
- 27 North Korean papers dedicate editorials to the 42nd anniversary of the “Socialist Constitution of the Democratic People’s Republic of Korea” promulgated by North Korea founder Kim Il-sung.
- 28 The KCNA says a ceremony took place in the presence of Kim Jong-un on Dec. 27 to award the party and state commendations to exemplary officials and merited logistics personnel in the fisheries division of the KPA.
- 29 The military attaches corps in Pyongyang visits the Pyongyang Cultural Exhibition on the occasion of the third anniversary of Kim Jong-un’s assumption of the supreme commandship of the KPA.
- 30 Service personnel and people across North Korea celebrate the third anniversary of Kim Jong-un’s assumption of the supreme commandship of the KPA.
- 30 Newspaper editorials in Pyongyang praise the feats of Kim Jong-un as supreme commander of the KPA since his rise to power three years previously.
- Jan. 1 Leading officials of the party, state and army visit the Kumsusan Palace of the Sun in Pyongyang on the occasion of the New Year.
- 1 The KCNA says the watch-night bell tolled and fireworks were displayed in the sky over Pyongyang at 00:00.
- 2 The KCNA says Citizens in Pyongyang are enjoying New Year holidays at water parks, a riding club, a dolphinarium and other attractions in different parts of the city.
- 3 The KCNA says athletes in the DPRK, encouraged by the New Year’s address of Kim Jong-un, vowed to win more gold medals at international games.
- 3 Service personnel of the KPA and officials of ministries, national institutions and units at all levels and people from all walks of life in Pyongyang visit the Pyongyang Baby Home and Orphanage.
- 5 The Rodong Sinmun, an organ of the ruling Workers’ Party of Korea (WPK), in an editorial calls for major celebration of the 70th Anniversary of the WPK.
- 5 The Rodong Sinmun in an article calls for national reunification through the concerted efforts of Koreans.
- 6 The KCNA says the chairman of the Central Committee of the Buddhist Federation of (North) Korea issued a statement on Jan. 5 to express full support for the New Year’s address given by Kim Jong-un and call for national reunification.
- 6 A mass rally takes place at Kim Il-sung Square in Pyongyang to carry out the tasks set forth by Kim Jong-un in his New Year’s address.
- 7 Mass rallies in the South Phyongan, South Hamgyong and Ryanggang provinces take place calling for the implementation of tasks set forth by Kim Jong-un in his New Year’s address.
- 7 Members of the young vanguard and the Democratic Women’s Union of Korea (DWUK) separately hold meetings to vow to implement the tasks set forth by Kim Jong-un in his New Year’s address.
- 7 The Central Committee of the WPK sends a congratulatory message to the National Executive Committee of the African National Congress (ANC) of South Africa on the occa-

- sion of the 103rd anniversary of its foundation.
- Jan. 7 The KCNA says the State Stamp Bureau has brought out new stamps featuring the Masikryong Ski Resort.
- 8 An NDC spokesman for the North's National Defense Commission urges the South Korean authorities to clarify their stance on mending inter-Korean relations.
- 9 The first term of winter camping begins at the Songdowon International Children's Camp.
- 10 The KCNA says mass rallies in North Phyongan, South Hwanghae, Jagang and Kangwon provinces and Nampho City are taking place to vow to implement the tasks set forth by Kim Jong-un in his New Year's address.
- 11 A funeral service takes place for the late Kim Sun-im, wife of Lee In-mo, a former North Korean unconverted war prisoner who South Korea repatriated to the North in 1993 for the first time since the Korean War (1950-53).
- 14 Meetings are held by units in the fields of construction and building-material production and land management to vow to fulfill the tasks set forth by Kim Jong-un's New Year's address.

#### (Foreign Events)

- Dec. 16 Minju Joson accused Japan of not feeling guilty about its "history woven with extra-large crimes against humanity."
- 16 Foreign Minister Ri Su-yong sends a congratulatory message to Lundeg Purevsuren upon his appointment as foreign minister of Mongolia.
- 18 Diplomatic envoys and staff members of missions of international organizations and the military attaches corps in Pyongyang visit the Kumsusan Palace of the Sun on the third anniversary of the demise of former leader Kim Jong-il.
- 18 Kang Sam-hyon is appointed as the DPRK ambassador to Iran.
- 19 Vietnamese Ambassador to the DPRK Pham Viet Hung gives a reception at the Taedonggang Diplomatic Club on the occasion of the army day of Vietnam.
- 19 The KCNA says Cambodian King Norodom Sihamoni sent a floral basket to the DPRK embassy in Phnom Penh on Dec. 17, honoring the memory of Kim Jong-il.
- 20 A Foreign Ministry spokesman rejects the U.S. accusation that it carried out a cyber attack on a movie company in the U.S.
- 22 Women of foreign embassies in Pyongyang visit the Pyongyang Baby Home and Orphanage on the occasion of the 97th anniversary of the birth of anti-Japanese war hero Kim Jong-suk.
- 23 The Russian government's free food aid of 50,000 tons to the DPRK was wound up at Nampho Port.
- 27 The KCNA says Kim Chol-ho, DPRK ambassador to Ethiopia, presented his credentials to Ethiopian President Mulatu Teshome on Dec. 23.
- 27 The spokesman for the NDC Policy Department denounces the U.S. for the film "The Interview" while linking the hacking of Sony Pictures Entertainment to the DPRK.
- Jan. 4 A spokesman for the Foreign Ministry of the DPRK blasts the U.S. for announcing new sanctions against the DPRK over the cyber attack on Sony Pictures Entertainment.
- 5 Cuban Ambassador German Hermin Ferras Alvarez visits the Pyongyang Maternity Hospital

- on the occasion of the 56th anniversary of the Cuban revolution.
- Jan. 13 The KCNA denounces in a commentary sharing of military information among the U.S., Japan and South Korea.
- 13 The Minju Josen, one of the major newspapers in North Korea, denounces Japan's sexual slavery system as the greatest tragic story in the 20th century and unprecedented human rights abuses against women.
- 15 The KCNA says the Benin national preparatory committee for celebrating the 73rd birth anniversary of Kim Jong-il is inaugurated in Cotonou on Jan. 9.

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