

# NK BRIEF

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## **MONTHLY RECAP: FEBRUARY**

#### INTER-KOREAN RELATIONS

On the first day of February, North and South Korean officials held talks on further developing the Kaesong Industrial Complex (KIC). Specifically, South Korea focused on commuting, communications and customs issues. Chief ROK delegate Kim Young-Tak stated that these issues would need to be resolved in order to create a mood favorable to discussions on wage increases for North Korean workers. On February 8, talks were held on resuming cross-border tours to Kumgang Mountain and Kaesong, but no progress was made. According to an ROK Ministry of Unification official, South Korea again demanded that the North "must provide an understandable explanation on [ROK tourist] Park [Wang-ja]'s death, set rules to ensure the safety of tourists and to keep such incidents from recurring." However, North Korea responded that the South's conditions had already been met, and that there was no reason tours could not be resumed.

South Korea's National Assembly Foreign Affairs, Unification and Trade Committee passed a bill calling for the establishment of a government body on improving North Korean human rights. Main opposition Democratic Party spokesperson Song Min-soon criticized the bill, stating, "The bill will not help the DPRK people, but rather it provides a reason to suppress and control them."

On February 16, ROK plans to send 867,000 USD-worth of hand sanitizer to the North were released. The sanitizers are part of the South Korean H1N1-prevention assistance.

## U.S.-DPRK RELATIONS

At the beginning of February, reports emerged stating that North Korean media had announced the defection of an American citizen. It was reported that a 28-year-old male crossed the border into North



# NK BRIEF

Korea from the Chinese city of Tumen, and told DPRK authorities that he "hates capitalism" and wants to serve in the North Korean military.

On February 4, it was reported that President Obama had sent a letter to Democratic leaders in Washington confirming that North Korea "does not meet the statutory criteria to again be designated as a state sponsor of terrorism," and that Pyongyang would remain off the U.S. list of terrorist states.

On February 5, North Korean authorities announced that U.S. missionary Robert Park, who walked across the DPRK border last December, would be released from custody. Pyongyang released a statement signed by Park stating he had gone to North Korea because he had been "taken in by the West's false propaganda," and that "had I known the reality of the DPRK, what I've learned here, what I have been shown here, what I've been taught here, what I've been informed here by all the kind people here about the DPRK, I would have never done what I did on the December 25th and I repent and I'm very sorry."

On February 15, North Korean officials chose a celebration of Kim Jong II's birthday as the venue to stress the need to improve relations with Washington. Speaking at a meeting of senior Party, army and government officials at the April 25 House of Culture, Presidium President Kim Yong-nam "underscored the need to put an end to the hostile relations between the DPRK and the U.S. through dialogue and negotiations," according to the (North) Korean Central News Agency (KCNA).

#### U.S.-DPRK TUBERCULOSIS COOPERATION

Specialists from Stanford University are working with the North's Ministry of Public Health to set up the country's first diagnostic laboratory for drug-resistant tuberculosis. The project is led by Bay Area TB Consortium and the Nuclear Threat Initiative.

### DPRK-PRC RELATIONS

The Chinese Communist Party international affairs chief, Wang Jiarui, traveled to North Korea, meeting



with DPRK Premier Kim Yong-il on February 6 and high-ranking Party official Choe Thae-bok on February 8. In return, North Korean nuclear envoy Kim Kye-gwan travelled to Beijing on February 9 to meet high-level Chinese officials.

On February 10, the Chinese government announced that former Vice-Foreign Minister Wu Dawei would be a special representative for Korean Peninsula affairs. Wu is now in charge of Six-Party Talks and related issues.

Following a string of official delegation visits between Beijing and Pyongyang, North Korean sources leaked that China is preparing a 10 billion USD investment scheme to be handled through the (North) Korea Taepung International Investment Group. An official, public signing ceremony is said to take place in mid-March.

Sources reported on February 16 that both the ambassador and deputy chief of mission in the DPRK's Beijing embassy are slated for replacement. Ambassador Choe Jin-soo will be replaced by Foreign Ministry Director General of Consular Affairs Choe Byong-ryol, and chief of mission Minister Kim Song-gi will be replaced by Foreign Ministry Deputy Director General of Chinese Affairs Pak Myong-ho. On February 25, Chinese and North Korean officials signed an agreement to jointly build, manage and maintain a new bridge crossing the Yalu River, which serves as the border between the two neighbors.

On the same day, Chinese Foreign Ministry Spokesperson Qin Gang reportedly stated that it would be a mistake to confuse UN sanctions with "normal bilateral trade dealings." The report also revealed that North Korea is establishing a free trade zone on Weihua and Huangjinbing islands, near Dandong city, with a total investment of 800 million USD.

## DPRK ECONOMIC NEWS

At the beginning of the month, it was reported that Kim Tong-un had been replaced as the head of Office 39, the entity that handles North Korea's political funds, Kim Jong II's personal finances, and most of the North's illicit overseas activities. He was replaced by former Deputy Director Jon II-chun. Some



## NK BRIEF

believe that travel restrictions put in place by the European Union led to the switch, as Kim is no longer free to personally manage the office's overseas accounts.

On February 4, the North Korean authorities ordered all markets to set standard prices for 100 different goods, threatening to confiscate goods not in line with the government price scheme.

On February 5, Premier Kim Yong-il apologized for the disastrous currency reform attempt at the end of last year, and reportedly revoked the ban on foreign currency use and reopened markets. He is said to have stressed, however, that markets adhere to state-set pricing.

#### DPRK SUCCESSION ISSUE

North Korean embassies were reportedly sent notices from central DPRK authorities instructing them to "firmly establish the system for the sole leadership" of Kim Jong II's youngest son, Kim Jong eun. Kim Sung-min, head of the DPRK defector-run 'Free North Korea Radio' reported on February 2 that a North Korean embassy staff member had informed him of the notice.

The annual DPRK power structure diagram recently released by the South Korean Ministry of Unification indicates that Kim Jong II's sister, Kim Kyong-hui, is regaining power in Pyongyang. Absent from leadership for the last six years, Kim Kyong-hui is now shown as head of a Party organization overseeing light industry. She has also accompanied Kim Jong II on several on-site inspections recently. Kim Kyong-hui is the wife of Jang Song-Taek, who is a member of the National Defense Commission and director of the Organization and Guidance Department of the Korean Workers' Party. Jang is said to have taken interim control of the North Korean government in August 2008, when Kim Jong II suffered a stroke.

#### DPRK ARTILLERY EXERCISES

North Korea declared five additional no-sail zones off its east and west coasts from January 31~February 2. On February 4, five more zones, four in the Yellow Sea and one in the East Sea, were declared,



overlapping the previously designated firing zones. On February 19, the North again designated naval firing zones, issuing warnings for four zones in the Yellow Sea and two in the East Sea for February 20~23.

## UN ENVOY VISITS DPRK

UN political chief and envoy to North Korea B. Lynn Pascoe arrived in Pyongyang on February 9. The goal of his trip was to find "ways we can cooperation better." During his four-day visit to the North, Pascoe met with DPRK Foreign Minister Pak Ui Chun and other officials, urging them to return to negotiations over the North's nuclear program. After leaving North Korea, Pascoe reflected on his talks in Pyongyang, stating, "Their attitude right now is, certainly they're not happy with sanctions," and, "They're certainly not eager, not ruling out, but not eager to return to Six-Party Talks," however, he called the talks "quite useful" and "friendly but frank."

#### ROK-JAPAN INTEL COOPERATION

ROK Minister of Unification Hyun In-taek met with Japanese Foreign Minister Katsuya Okada on February 11, and agreed to increase ROK-Japan intelligence sharing on North Korea. Hyun called for a "coordinated response" to the North Korean nuclear threat, while Okada promised to press for a quick resolution of the DPRK nuclear problem.

#### KIM JONG IL TURNS 68 or 69

On February 16, North Korea celebrated the birthday of Kim Jong II. His official biography states he was born in 1942, while many records indicate that he was born in 1941. The KCNA reported that "diverse political events have taken place in Pyongyang and local areas" in celebration, including "the 14th Kimjongilia Festival, the 19<sup>th</sup> International Figure Skating Festival for the Paektusan Prize, a national photo exhibition, the 3<sup>rd</sup> National Pencil Drawing Festival and other functions."



#### DPRK EARTHQUAKE

A 6.9-magnitude earthquake struck North Korea near its northeastern border with China and Russia on February 18. The epicenter was 100 kilometers northeast of Chongjin and 573.8 kilometers deep. No damage or casualties were reported.

## SUBSIDIES FOR KOREAN SCHOOLS IN JAPAN AT RISK

On February 22, it was reported that Japan's minister in charge of abduction issues, Hiroshi Nakai, asked Minister of Education Tatsuo Kawabata not to provide tuition subsidies to schools that cater to children with ethnic ties to North Korea. He stated, "If the government decided to designate Korean schools as beneficiaries of the subsidy program . . . it would be tantamount to providing effective economic aid to North Korea." Prime Minister Yukio Hatoyama supported the move, stating, "I see Nakai's idea as one that merits consideration."

It was also reported, on February 23, that portraits of Kim Jong II had been removed from classrooms at the Tokyo Chosen No. 2 Elementary School, a school run by the pro-North Korean General Association of Korean Residents in Japan. Kim's picture still hangs in the school's teachers' lounge.

## NEW KCNA DIRECTOR CONFIRMED

A KCNA report on February 22 confirmed that Kim Pyong-ho had been named as the new chief of the news agency. A report on a meeting of North Korean journalists referred to Kim as "general director of the Korean Central News Agency." He replaces Kim Ki-ryong, who headed the agency for the last decade.

## DPRK OLYMPIC TEAM IN VANCOUVER

North and South Korea failed to reach an agreement on a unified team or entrance at the 2010 Vancouver



Winter Olympics, making the presence of the North's two athletes easy to miss. Olympic athletes of the two Koreas marched together in the opening ceremonies of the 2000 Summer Games in Sydney, Australia, and 2004 Olympics in Athens, but have not done so since then. In the recent 2010 Winter Olympics, North Korea fielded one figure skater and one speed skater, but neither was able to secure a medal.