

MONTHLY RECAP: NOVEMBER

DPRK NUCLEAR ISSUE

A team of U.S. atomic inspectors arrived in North Korea on the first day of November in order to oversee disablement operations, and expressed confidence that the disablement of agreed-upon DPRK nuclear facilities would progress smoothly. U.S. envoy Christopher Hill reiterated on the same day that the North “must surrender all its nuclear stockpiles in return for lasting peace.” Dismantlement began on November 5.

While disablement is reportedly going smoothly, the Washington Post reported on November 10 that North Korea is actively lobbying U.S. officials, making a case that it never intended to produce HEU for nuclear weapons. Pyongyang has offered up access to equipment and documents, with a senior U.S. official commenting, “Some explanations make sense; some are a bit of a stretch.”

DPRK DIPLOMACY

As nuclear negotiations seem to be progressing, an AP article on November 1 recapped recent DPRK diplomatic activity, as Pyongyang seems to be reaching out to the world. In September, diplomatic relations were established with the UAE, Swaziland, the Dominican Republic, and Guatemala. Since July, ties with Montenegro have been opened and relations restored with Myanmar and Nicaragua. North Korea now has diplomatic ties with 160 countries.

North Korea participated in an expanded Tumen River Initiative in Vladivostok from November 15~16. Delegations from Russia, China, North and South Korea, and Mongolia met to discuss new investment projects and creating an expanded trust fund for the initiative.

DPRK LEADERSHIP

It was reported on November 21 that Jang Song-thaek was appointed the chief internal security supervisor. Jang was removed from the No. 2 position in the DPRK government in 2004 after criticizing the North's economic policies. He is married to Kim Kyong-hui, younger sister of Kim Jong-il.

On November 24, Japanese sources stated that Kim Jong-chul, second son of Kim Jong-il, has been appointed assistant vice chief of the Organization and Guidance Department of the Workers' Party of Korea.

DPRK ECONOMY

'Good Friends' reported on November 9 that North Korean women under 50 have been banned from working in market businesses throughout the country, and that authorities have confiscated all wire telephones that were installed in private houses for business purposes.

The DPRK Daepung Investment Group reported that it will set up a 10 billion USD fund in cooperation with the China Development Bank to help Chinese companies in North Korea build necessary transportation infrastructure.

U.S.-DPRK COOPERATION

A U.S. warship assisted the North Korean crew of a cargo ship under attack by pirates on November 8, and brought several crewmembers on board for medical care. North Korean news reported the cooperation and expressed gratitude to the United States, reporting, "This case serves as a symbol of the DPRK-U.S. cooperation in the struggle against terrorism."

The United States and North Korea held two days of talks from November 19~20 in New York, for talks referred to by U.S. sources as “a bid to education the reclusive Communist about international financial norms.”

During a track-two meeting between U.S. and DPRK officials in Washington on November 20, U.S. officials reportedly pressed North Korea to come clean on its nuclear ties with Syria, with one unnamed source stating that the U.S. side was “very clear to the North Koreans that if their declaration doesn’t include what is going on in Syria, it’s really going to be a problem.”

Voice of America reported on November 20 that the U.S. State Department will provide 4 million USD through four international aid agencies to provide electricity for DPRK hospitals.

A U.S. diplomat has been stationed in the Koryo Hotel in Pyongyang since mid-month, and there are said to be plans to dispatch a second permanent diplomat soon.

INTER-KOREAN COOPERATION

It was reported on November 3 that a South Korean businessman has been in negotiations with a North Korean partner and is now set to open a 50-table fried chicken restaurant in Pyongyang, and offer home delivery of chicken and beer. South Korean authorities stated that this will be the first foreign-owned restaurant chain in the capital.

On November 5, the ROK Chamber of Commerce founded a non-governmental inter-Korean economic development fund. The DPRK is already demanding handouts of five million won

per participating South Korean corporation.

A report issued by the Ministry of Unification on November 11 states that inter-Korean bilateral trade increased by 23 percent during the first 10 months of this year, now up to 1.44 billion USD. A major contributing factor was a 48 percent increase in goods shipped from the KIC.

The ROK Ministry of Foreign Affairs reported on November 15 that South Korea will provide power plant parts to North Korea, but refused to give details, explaining, “the DPRK does not want us to reveal the concrete contents such as price and amounts of products.”

North and South Korea held prime ministerial talks from November 14~16, where a number of economic cooperative projects mentioned during last month’s summit were further discussed. The meetings also led to the agreement to begin daily cargo train service from Munsan to Bongdong on December 11, connecting Kaesong Industrial Complex with the South. Seoul estimates that shipping a container from Busan to Moscow by sea costs 3,800 USD and takes 35 days, while reconnection of rails could lead the same container to travel by train in only 10 days at a cost of 2,800 USD.

Hyundai Motor Company’s labor union supplied funding and equipment for the construction of a corn noodle plant in the Maranbong District of Pyongyang. The plant was completed at the end of October and is expected to be producing two tons of noodles per day by beginning November 20.

On November 20, South Korea abstained from voting on a DPRK human rights resolution

passed by the U.N. general assembly. Seoul explained that, “considering the special circumstances which the two Koreas face,” South Korea had made the decision not to speak out.

South Korea has transformed the manner in which DPRK business promotion projects are handled by the ROK government. Previously, the Ministry of Unification was in charge of all projects, but now many projects have been shifted to relevant authorities, including the ministries of Commerce, Industry and Energy; Construction and Transportation; Culture and Tourism; and Health and Welfare.

Defense ministerial talks between the two Koreas opened on November 27, but quickly became bogged down in disputes about the Northern Limit Line and the creation of a joint fishing zone in the West Sea. After three days of meetings, the two sides agreed to establish a joint military commission to discuss military confidence-building measures, and reached some agreement on security measures necessary for other cross-border reconciliation projects.

Kim Yang-gon, director of the United Front Department of the DPRK Workers' Party, headed a delegation of North Korean officials for a three-day trip to the South beginning at the end of November. Meetings with President Roh Moo-hyun, Unification Minister Lee Jae-joun, and NIS Chief Kim Man-bok were scheduled.