

# NAPSNet Daily Report 20 November, 2003

# **Recommended Citation**

"NAPSNet Daily Report 20 November, 2003", NAPSNet Daily Report, November 20, 2003, https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-20-november-2003/

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## I. United States

#### 1. DPRK on Rumsfeld ROK Visit

Agence France-Presse ("NORTH KOREA SLAMS RUMSFELD'S 'CRIMINAL JUNKET,' 11/20/03) reported that the DPRK said US Defense Secretary Donald Rumsfeld's trip to Seoul this week was a "criminal junket" and South Koreans should rise up to drive US troops from their shores. Rumsfeld left Seoul Tuesday following a three-day trip for annual security consultations with ROK defense chiefs. He discussed sensitive plans to realign 37,000 US troops in the ROK, including a pullback from the border with the DPRK and the relocation further south of the US military headquarters now at Seoul's Yongsan garrison. The 13-month-old DPRK nuclear crisis and a US request for ROK troops for duty in Iraq were also discussed. "Rumsfeld kept up the pressure on the ROK government to

conclude pending issues, including the dispatch of ROK troops to Iraq, the relocation of the Yongsan garrison and the repositioning of US forces on the Korean Peninsula," said Rodong Sinmun, the newspaper of the DPRK's ruling politburo. The trip was a "criminal junket" and the US request for ROK troops for Iraq a "criminal act," said the newspaper monitored by South Korea's Yonhap news agency. "The ROK people should launch anti-US campaigns in order to force the US military forces out of the peninsula," it said. During his trip Rumsfeld branded the DPRK "evil" and said US troops based in the ROK lived on the border between freedom and slavery. The DPRK branded Rumsfeld a "psychopath" when he made comments critical of the Pyongyang in September.

#### 2. US Kelly in the ROK on DPRK Nuclear Talks

Agence France-Presse ("US NORTH KOREA ENVOY IN PROLONGED TALKS ON NUCLEAR CRISIS," 11/20/03) reported that US top DPRK envoy, James Kelly, held prolonged discussions with ROK officials here on efforts to resume six-way nuclear crisis talks with the DPRK. Kelly's Asia tour, which concludes in the ROK after stops in the PRC and Japan, is viewed as a possible prelude to renewed talks. Thirteen months into the nuclear crisis, The DPRK has signaled that it is ready to sit down for substantive discussions on scrapping its nuclear weapons in return for significant political and economic returns. The DPRK's real intentions are still unclear but Washington and its allies see negotiations as the only way out of a crisis triggered in October 2002 when Kelly visited Pyongyang. Kelly opened talks at the foreign ministry that were expected to spill into the afternoon. Then he was scheduled to meet with close aides to ROK President Roh Moo-Hyun. Foreign Ministry spokesman Kim Sun-Heung said Kelly was engaged in lengthy discussions with Deputy Foreign Minister Lee Soo-Hyuck. On arrival here from Beijing late Wednesday Kelly said no date for new six-way talks had been set and cautioned that there was no certainty they would take place before the end of the year. Officials here have said a mid-December date was likely. The comments were not seen as pessimistic at the foreign ministry, where Kelly's lengthy discussions were taken as a positive sign. "Six-party talks and related issues are complex matters," said Kim. "The lengthy meeting today might be a good signal."

## 3. DPRK KEDO Energy Project

Agence France-Presse ("ANNOUNCEMENT LOOMS ON NORTH KOREA ENERGY PROJECT: US-LED CONSORTIUM," Washington, 11/20/03) reported that the US-led consortium in charge of building nuclear power plants in the DPRK is Friday set to formally announce a one-year suspension of the project as a nuclear crisis simmers with Pyongyang. The Korean Peninsula Energy Development organisation said in a statement that it would make an announcement at its New York offices, but did not give further details. But a senior US official here implicitly confirmed reports the consortium would freeze the much-delayed project for a year, a decision which would be closer to the ROK's position than that of US hardliners who wanted the project killed off. "Our position was: OK, we can support a one-year suspension, provided that any decision to restart would require unanimous (approval)," said the senior State Department official on condition of anonymity. Asked whether a one-year suspension was KEDO's final decision, the official added: "I think that answers your question." US and ROK officials said Tuesday in Seoul that KEDO would announce a one-year suspension of the project. But an announcement was delayed to allow the head of the consortium, American Charles Kartman, to personally notify the DPRK. Kartman said his trip to Pyongyang this week was "to explain ... a possible suspension of the (light water reactor) project. State Department deputy spokesman Adam Ereli said Wednesday he would "leave it to the KEDO board to make an announcement. "Our position is that there is no future for the reactor project."

## 4. DPRK on KEDO Compensation

Yonhap ("NORTH KOREA REPEATED DEMAND FOR KEDO COMPENSATION SAYS SOUTHNORTH KOREA REPEATED DEMAND FOR KEDO COMPENSATION SAYS SOUTH," Seoul, 11/20/03) reported that the DPRK has called for compensation from a US-led consortium which suspended the construction of two light-water reactors in its territory, ROK officials said Thursday. "The DPRK officials repeated their demand that the consortium should compensate for the suspension of the project," ROK officials quoted Charles Kartman, executive director of the Korean Peninsula Energy Development Organization (KEDO), as saying. The DPRK made its request to the executive director, who visited Pyongyang Saturday to officially notify it of the consortium's decision to halt the 4.6bn US dollar project for one year due to the DPRK's development of nuclear weapons. The DPRK, however, did not elaborate on the compensation from KEDO, which also involves the ROK, Japan and the European Union, according to Shin Eon-sang, assistant minister for unification policy at the Unification Ministry. The KEDO executive was adamantly against financial compensation for the DPRK, asserting that a 1994 bilateral accord unraveled because of the DPRK's nuclear weapons program and the project was suspended, not terminated, the ROK official added.

#### 5. UN Secretariat in PRC

Agence France-Presse ("UN SECRETARIAT TO OPEN FIRST OFFICE IN CHINA," 11/21/03) reported that the United Nations said its Secretariat would open its first office in the PRC later this month. The announcement on the UN's website followed the signing in Bangkok Thursday of an agreement with the PRC government. The UN's Asian agricultural development agency, Asian and Pacific Center for Agricultural Engineering and Machinery, will open its headquarters in the PRC capital Beijing, a statement said. "The opening of the center signifies the recognition by ESCAP (United Nations Economic and Social Commission for Asia and the Pacific) member states of the importance of the organization in furthering the cause of agro-based technologies in agricultural production," the statement said. The Secretariat is the hands-on manager of the UN and oversees the day-to-day work of the world body's various departments and agencies.

#### 6. PRC-US Economic Relations

Agence France-Presse ("BEIJING SUMMONS US AMBASSADOR TO EXPRESS 'SHOCK' AT TEXTILE QUOTAS," 11/20/03) reported that an angry Beijing summoned the US ambassador to the PRC to express its "shock" over a decision to cap three types of PRC textile imports, as trade tensions escalated Thursday. US Ambassador Clark Randt was called in by PRC Vice-Foreign Minister Zhou Wenzhong Wednesday, the foreign ministry said. The US embassy said it was preparing comment. Zhou told Randt the PRC government "was shocked at and expresses dissatisfaction with, the US decision, which had been made despite strong opposition from the PRC side", the Xinhua news agency reported. The PRC again threatened to take the issue to the World Trade Organization (WTO), with fears stoked that the US may be shifting to more protectionist policies. "The PRC government reserves its right to take further actions," said Zhou, adding he hoped the US government "will change its wrong decision and return to the path of resolving disagreements through dialogue and cooperation." The decision, which is still subject to negotiation between the PRC and the US before it can take effect, could limit the growth of PRC imports to 7.5 percent annually.

#### 7. US-Japan-Australian Counter-Terrorism

Agence France-Presse ("AUSTRALIAN, US AND JAPANESE COUNTER-TERROR AMBASSADORS MEET," 11/20/03) reported that Australia's counter-terrorism ambassador Les Luck said at a meeting with his US and Japanese counterparts that the terrorist threat to the Asia-Pacific region remained undiminished. Luck stressed the importance of international cooperation at his inaugural meeting with Japan's Takahiko Horimura and Cofer Black of the US. All three diplomats have a roving brief from their governments to improve international counter-terrorism cooperation. Luck said there had been encouraging developments in the Asia-Pacific, although the threat had not seriously diminished. "We perceive there has been some encouraging progress in dealing with the threat," he told reporters. "But it's likely to be one that we have to contend with for some time -- I think it would be too early to say it's seriously been diminished. "There remains a real capacity to inflict violence and damage on the interests of countries in the region." Black said no country had enough resources to cope alone so international cooperation was essential. "The Asian region is very important," Black said. "The clear indicators of threat have established terrorist groups who have shown the capacity for mass, coordinated killings, the determination to continue on their path and it is the work of our three countries among others to do what we can to contribute to creating safety."

### 8. Japan Domestic Economy

Dow Jones ("JAPAN GOVT: UPGRADES VIEW OF ECONOMY IN NOV REPORT," Tokyo, 11/20/03) reported that on the back of an improving global economy and higher production and consumer spending, the government Thursday upgraded its assessment of the Japanese economy for the third time in four months. But in its November report on the economy, the Cabinet Office indicated that the yen's rise to a three-year high and a recent sell-off in the stock market have put the government on guard about potential risks to the fragile economic upturn. "The economy is showing an incipient recovery," the Cabinet Office's report said. That was a more upbeat assessment of the economy than last month, when the government said the economy showed signs of "moving toward recovery." And in the stock market, the Nikkei 225 Stock Average has lost 12% from its recent high on Oct. 21, which it hit after a strong rally since April. The Nikkei 225 ended Thursday 2.6% higher at 9865.70 but is still off 3.0% since the end of last week.

#### 9. EU-DPRK Relations

The Associated Press ("EU DELEGATION TO VISIT NORTH KOREA NEXT MONTH," Rome, 11/19/03) reported that the European Union will send a delegation to the DPRK next month to get a first-hand look at the situation on the ground, Italy's foreign minister said Wednesday - a new effort to involve the E.U. in mediating the North's nuclear conflict. Foreign Minister Franco Frattini made the announcement of the Dec. 9 visit after meeting with his ROK counterpart, Yoon Young-kwan. Yoon, for his part, expressed optimism about a new round of six-nation talks aimed at ending the crisis. A senior ROK official said this week in Seoul that the talks were scheduled for Dec. 17-18 in Beijing, although Yoon said no specific date had been set. "I'm relatively optimistic about having some fruitful returns from this second round of six-party talks," Yoon told reporters. "I hope the second round will be more fruitful in the sense that the six parties will be able to discuss such issues as nuclear dismantlement in North Korea and address the issue of North Korea's security concerns in a more detailed way, in a more complete way," he said. "And there is a higher possibility for us to be able to do that because North Korea has expressed their flexible position," he said. The E.U. had tried to send a mediation mission to the DPRK earlier this year, but the trip was canceled in February after a meeting with DPRK leader Kim Jong II couldn't be arranged.

## II. Republic of Korea

## 1. Korean War POW Are Facing Repatriation To North

Chosun Ilbo (Yeo Si-dong, Beijing, "KOREAN WAR POW FACING REPATRIATION TO NORTH", 11/20/03) reported that A former ROK prisoner of war who tried to escape DPRK with his wife by using fake passports has been arrested by PRC police and is being held at Tumen, a city bordering DPRK, a source from Beijing said Thursday. ROK Embassy immediately began behind-the-scenes negotiations with PRC government, and has requested that Beijing confirm the whereabouts of the POW, Jeon Young-il, and his wife, and hold a meeting of consular officials. The embassy is trying to prevent what it sees as a worst-case scenario in which the couple is repatriated to DPRK. The source said the couple was arrested by PRC police on Monday and was flown to Tumen on Wednesday. The source claimed that the couple was escorted to a city bordering DPRK as part of the procedures for repatriation. "As of now, we are uncertain of Jeon's whereabouts," said a ROK Embassy official in Beijing. "Even if they were taken to a city bordering DPRK, they would have been transferred according to the procedures of the local police agency, not according to the central government's decision to repatriate them to DPRK." Embassy officials verified that negotiations with Beijing had started, and there is little chance that the couple will be taken back to Pyongyang. Experts, however, predicted that since the couple violated PRC law by holding fake passports, it would take time for PRC government to make a decision on their fate.

## 2. U.S is the Largest Donor of Supplies to DPRK

Chosun Ilbo (Arirang TV, "U.S.: LARGEST DONOR OF SUPPLIES TO NORTH KOREA", 11/20/03) reported that Despite tensions between U.S. and DPRK, the U.S. was found to be the largest donor of supplies to the impoverished DPRK during the first ten months of this year. According to the Korea Rural Economic Institute's report released Thursday, Washington's aid to Pyeongyang amounted to some \$31 million as of the end of October, accounting for 24 percent of international aid extended by the global community. The European Union came next in line followed by ROK, Russia, and Italy. Meanwhile, the UN Office for the Coordination of Humanitarian Affairs said Tuesday an estimated \$221 million of aid will be needed next year to feed more than a quarter of DPRK population or some 6.5 million people.

#### 3. EU Will Send Delegation To DPRK Early Next Month

Chosun Ilbo (Arirang TV, "EUROPEAN UNION TO SEND DELEGATION TO NORTH KOREA EARLY NEXT MONTH", 11/20/03) reported that Amid heightened global concern over DPRK's year-long nuclear standoff, the European Union will dispatch a delegation to the communist state early next month. In Rome Italy's Foreign Minister Franco Frattini announced that the EU will send a mission to DPRK on December 9th to assess the overall situation in the impoverished country after meeting with his ROK counterpart, Yoon Young-kwan. The top Italian diplomat, however, stopped short of saying whether the delegation would meet with DPRK leader, Kim Jong-il. The EU's decision comes in line with international efforts to peacefully resolve the DPRK nuclear row.

## 4. 6-Way Talks May Be Held Regularly

Donga Ilbo (Park Won Jae, "SIX-WAY TALKS TO BE HELD REGULARLY", 11/20/03) reported that On November 20, Tokyo Shimbun reported that the five countries-ROK, U.S., PRC, Russia, Japan-have consented in principle that the six-way talks should be regularly held until DPRK nuclear problem is

entirely solved. Tokyo Shimbun added that it would take a long time to carry on the six-way talks. Because of this, the delay might permit time for DPRK to resume its nuclear weapon development. The intention of this agreement is also to prevent the six-way talks from developing into a diplomatic privilege for DPRK. It has been reported that PRC has recently suggested that the talks should be held on a regular basis to the participants, and all except DPRK have agreed to it. They are working on the details of the regular meetings. On November 19, according to this movement, Dai Binguo, the deputy foreign minister of PRC, was scheduled to visit DPRK, just after James Kelly wraps up his itinerant schedule in DPRK, in order to nail down the schedule for the next six-way talks, which was actually agreed to be held in December, said the U.S. person in authority. The source in Washington revealed that the five countries, excluding DPRK, hope to hold the next meeting in mid-December, and DPRK has also given affirmative responses to it. "The definitive date for the meeting has not yet decided upon because it takes several days for DPRK to finalize its position," remarked the source. On November 19, on the other hand, Franco Fratini, the Italian foreign minister (The EU chooses a specific country to represent itself, and currently it is now Italy's turn) passed on that EU would send its delegation to DPRK from December 9 to 11. On this day, Fratini met with Yoon Young-kwan, ROK foreign minister who is currently visiting Italy, and said, "In order to take a firm grip on DPRK nuclear weapon situation, we have decided to dispatch our delegation to DPRK." The EU has stated that they would stand up for mediating DPRK nuclear weapon problem. It tried to dispatch its delegation early in this year but had to call it off since they could not nail down the specific date of interview with Kim Jong-il, DPRK leader.

## 5. Ex-President Kim Dae-Jung Says "DPRK and U.S. Should Have Direct Talks"

Donga Ilbo (Cho Hun-Joo, "KIM DAE-JUNG SAYS "NORTH KOREA AND THE U.S. SHOULD HAVE DIRECT TALKS", 11/20/03) reported that Former President Kim Dae-jung urged a direct meeting between DPRK and the U.S. on November 20 by asserting, "DPRK should completely give up its nuclear weapons, and U.S. should guarantee DPRK's security and its entrance into the world community. The six nation talks are useful, but the important thing is an agreement between DPRK and U.S.." For the first time since his retirement from the Blue House, former President Kim has spoken publicly regarding issues surrounding DPRK and proposed a solution through his message at the opening ceremony of an international symposium entitled "A New Century of Northeast Asia," held at Tokyo National University. "Six nation talks are going on, and both the U.S. and DPRK appear to be changing their attitudes, but the prospects are not certain. Countries participating in the six nation talks should actively contribute to guaranteeing the success of the talks and ensuring their results, with fair and sincere attitudes." Subsequently, he criticized the current Bush administration's hard line policy towards DPRK. "The Clinton administration resolved its hostile relations with DPRK and made an agreement to establish diplomatic relations with DPRK. However, the Bush administration has taken a different position than the previous administration," former President Kim pointed out. "During my term of office in February 2002, I emphasized to President Bush during his visit here the need for talks with DPRK in order to resolve tensions between DPRK & ROK. President Bush sympathized with me and promised that he would not attack DPRK, and that he would talk with DPRK and support it with food aid," added former President Kim. "The realization of all dreams in Northeast Asia starts with peace on the Korean peninsula. Peace on the Korean peninsula and increased interchanges between DPRK & ROK will bring about security and prosperity for 70 million people in both DPRK & ROK, as well as security and economic benefits for Japan and PRC," he said during the eighteen minute message, which was filmed in the office of his private residence. Former President Kim was also supposed to participate in the symposium, which was co-hosted by the Japan Center for Area Studies, the National Museum of Ethnology, and the Institute of Social Information at the National University of Tokyo, but was unable to participate due to health problems.

The NAPSNet Daily Report aims to serve as a forum for dialogue and exchange among peace and security specialists. Conventions for readers and a list of acronyms and abbreviations are available to all recipients. For descriptions of the world wide web sites used to gather information for this report, or for more information on web sites with related information, see the collection of <a href="https://doi.org/10.1001/journal.com/">Other NAPSNet resources</a>.

We invite you to reply to today's report, and we welcome commentary or papers for distribution to the network.

Produced by the Nautilus Institute for Security and Sustainable Development in partnership with:

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