

# NAPSNet Daily Report 25 November, 2008

#### **Recommended Citation**

"NAPSNet Daily Report 25 November, 2008", NAPSNet Daily Report, November 25, 2008, https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-25-november-2008/

# NAPSNet Daily Report 25 November, 2008

NAPSNet Daily Report 25 November, 2008

#### Contents in this Issue:

- I. NAPSNet
  - 1. DPRK Nuclear Program
  - 2. US on DPRK Nuclear Program
  - 3. Inter-Korean Relations
  - 4. ROK Environment
  - 5. ROK Military
  - o 6. ROK-PRC Military Cooperation
  - 7. ROK on Pacific Rim Free Trade Agreement
  - 8. Japan Space Program
  - 9. Japan Free Trade
  - 10. Japan Constitutional Revision
  - o 11. Japan Missile Defense Program
  - 12. PRC Climate Change
  - 13. PRC Energy
  - 14. Sino-US Energy Cooperation

- 15. PRC Economy
- o 16. PRC Urban Insecurity
- 17. PRC Earthquake Reconstruction
- 18. Tibet Leadership
- II. PRC Report
  - 19. PRC Environment
  - o 20. PRC Energy and Environment
  - o 21. PRC Tourism
- III. CanKor
  - o 22. Report # 312
- IV. ROK Report
  - 23. ROK Policy toward DPRK
  - o 24. DPRK Nuclear Program
  - 25. ROK, U.S., Japan Policy Coordination
  - 26. Inter-Korea Relations

Preceding NAPSNet Report

#### I. NAPSNet

#### 1. DPRK Nuclear Program

CNN ("U.S. WANTS TO CLINCH DPRK INSPECTION RULES", 2008/11/23) reported that the United States will urge allies next month to finalize a protocol that would allow them to check whether DPRK has revealed all its nuclear secrets, Secretary of State Condoleezza Rice said Sunday. "It's very important that that verification protocol reflect the discussions that Chris Hill had with his North Korean counterparts when he was in Pyongyang, a set of assurances that were given," Rice said. "But it's also very important ... that this verification protocol is going to have to be robust enough to make certain that we're dealing with all of North Korea's nuclear programs."

Kyodo News ("DPRK REPEATS REJECTION OF SAMPLING TO CHECK NUCLEAR INFORMATION", Beijing, 2008/11/24) reported that DPRK's official media on Monday repeated the country's rejection of sampling at its nuclear facilities to verify information. The Korean Central News Agency said calling for sampling to be included in a document on verification steps to be drawn up in the next six-party denuclearization talks amounts to "a total denial" of an October deal between the United States and DPRK. The U.S.-DPRK agreement "includes no paragraph referring to the collection of

(return to top)

#### 2. US on DPRK Nuclear Program

Yonhap (Lee Chi-dong, "U.S. ENVOY DENIES RIFT WITH DPRK ON NUCLEAR VERIFICATION", Seoul, 2008/11/24) reported that a U.S. nuclear negotiator said Monday that his country has no dispute with DPRK over ways to verify Pyongyang's recent nuclear claims. "We don't think there is any difference. There is no confusion between Washington and Pyongyang on what was agreed," Sung Kim, the U.S. special envoy to the six-way talks, told reporters, emerging from a meeting with Hwang Joon-kook, director general of the DPRK nuclear affairs bureau at the ROK Foreign Ministry.

(return to top)

#### 3. Inter-Korean Relations

Yonhap News Service ("LEE REITERATES RECONCILIATORY POLICY TOWARD DPRK", Los Angeles, 2008/11/24) reported that ROK President Lee Myung-bak said Sunday that his administration will consistently pursue a policy of "reconciliation, co-prosperity and co-existence" with DPRK, despite the ongoing strain in inter-Korean relations. Lee warned against a possible DPRK attempt to sideline ROK in its direct diplomacy with the U.S., saying the upcoming U.S. government of President-elect Barack Obama will have sufficient consultations with ROK before implementing any policy action toward DPRK.

Xinhua News Service ("DPRK ARMY ANNOUNCES FIVE MEASURES ON BILATERAL TIES WITH ROK", 2008/11/24) reported that the head of the DPRK delegation to the inter-Korean general-level military talks Monday announced five measures on the bilateral ties with ROK. According to the Korean Central News Agency (KCNA), the five measures, effective Dec. 1, are: The DRPK People's Army will selectively expel the resident personnel and vehicles of the institutions and enterprises concerned with the authorities in the Kaesong Industrial Zone (KIZ) and Mt. Kumgang tourist area and cut off their overland passages through the Military Demarcation Line (MDL). It will totally suspend the tour of Kaesong by the ROK side's personnel now being conducted after their passage through the MDL in the portions on the West Coast under the control of the DPRK and the ROK. It will disallow the ROK's train service between Pongdong and Munsan and close the MDL in the region. It will strictly restrict the passage of all personnel of the ROK side through the MDL to enter the KIZ and Mt. Kumgang tourist area under the name of visit and economic cooperation, etc. More strict order and discipline will be enforced as regards the passage and entry into the KIZ and Mt. Kumgang tourist area and stringent sanctions applied against any violators of them.

Joong-Ang Ilbo ("GROUP SENDING FLYERS INTO NORTH TO TAKE A BREAK", 2008/11/24) reported that Park Sang-hak, head of the civic group Fighters for a Free North Korea, said he will suspend the sending of anti-Pyongyang leaflets to the DPRK for three months to give the Kim Jong-il regime an opportunity to change. "We want to give the North an opportunity to change its policy and to allow North Koreans to have time to think about their government," Park said. "We also want President Lee Myung-bak to think about his North Korea policy during the three months."

Agence France-Presse ("DPRK SUMMONS ROK KAESONG HEADS FOR MEETING", Seoul, 2008/11/23) reported that DPRK on Monday called a meeting with bosses of ROK factories at a joint industrial complex, one week before the start of its threatened border restrictions that could cripple the estate. The heads of 80 firms operating at Kaesong, just north of the border, were being invited along with the chiefs of the two bodies which manage the complex, said the ROK's unification ministry, which handles cross-border ties."They are now in the complex for a meeting with North Korean officials at their (DPRK's)request," ministry spokesman Kim Ho-nyoun told reporters.

(return to top)

#### 4. ROK Environment

Agence France-Presse, Yonhap News Service (Bae Ji-sook, "GREENPEACE TO CAMPAIGN FOR PROTECTION OF TUNA IN BUSAN", 2008/11/24) reported that Greenpeace will be holding campaigns to protect tuna, on the verge of extinction due to excessive fishing here. The organization is to hold a rally in Busan from Dec. 8 to 12 to urge ROK to halve its share of the fishing, which is the world's third largest. During the period, the southern port city will be hosting the Western and Central Pacific Fisheries Commission annual congress, where members will be discussing cutting down fishing quotas in the region.

Reuters (Jon Herskovitz , "ROK BUILDS CITY FROM SEA AT WETLAND'S EXPENSE", Buan, ROK, 2008/11/24) reported that ROK is betting a multi-billion dollar land reclamation project about seven times the size of Manhattan will lift the economy but environmentalists say it could be one of the country's biggest ecological blunders. The Saemangeum land reclamation project uses a 33-km (20.5 mile) sea dyke to reclaim an area of 400 square kms (155 sq miles), turning coastal tidelands that are key feeding areas for globally threatened birds into land for factories, golf courses and water treatment plants. "This project is not about protecting the environment. It is about economic development. And we will do that in an environmentally sound way," said Park Hyoungbae, an official with the Saemangeum development authority. "The government is calling this environmentally friendly, but just planting a few trees that have since died does not make it a green project," said Yoon Sang-hoon of the conservation group Green Korea.

(return to top)

#### 5. ROK Military

Korea Hearld (Kim Ji-hyun, "DEFENSE REFORM LIKELY TO SUFFER SETBACKS DUE TO BUDGET CUTS", Seoul, 2008/11/24) reported that the nation's sweeping defense reforms are likely to face setbacks due mostly to budget restraints, according to tentative adjustments released by the Defense Ministry yesterday. In particular, the government is expected to cut down on defense acquisitions and also fail to sufficiently reduce military troop numbers as it struggles to secure funds. The military has faced an uphill battle to finance the reforms, which is estimated to cost up to 620 trillion won (\$419 billion).

(return to top)

#### 6. ROK-PRC Military Cooperation

Agence France-Presse ("ROK, PRC SET UP MILITARY HOTLINES", Seoul, 2008/11/24) reported that ROK and PRC on Monday opened military hotlines to help prevent clashes in the Yellow Sea, officials said. The lines opened between the two countries' navy and air force command headquarters, the defence ministry said. ROK said it became the only nation to have such arrangements with PRC. "The opening of hotlines will help the two nations prevent accidental clashes," the ministry said in a statement. They will also help the two upgrade their "strategic" partnership and military ties, it said.

(return to top)

#### 7. ROK on Pacific Rim Free Trade Agreement

Yonhap News Service ("ROK'S LEE PROPOSES CREATION OF PACIFIC RIM FREE TRADE AREA", Lima, Peru, 2008/11/24) reported that ROK President Lee Myung-bak on Sunday proposed launching specific discussions on concluding a multilateral free trade agreement among Pacific Rim countries to promote free trade across the world. In an address at the closing session of the Asia Pacific Economic Cooperation (APEC) forum in Peru, Lee said sets of bilateral FTA deals would complement ongoing WTO negotiations on global trade liberalization. Lee asked the 21 APEC member nations to conduct an extensive study on the potential economic impact of the so-called Free Trade Area of the Asia-Pacific Region (FTAAP).

(return to top)

#### 8. Japan Space Program

Yomiuri Shimbun ("GOVT TO CONTINUE TALKS OVER GX ROCKET", 2008/11/24) reported that the government's headquarters for space development strategy has decided to continue discussions on whether to continue development of GX rocket, according to sources. The organization is hoping to cut the financial burden on the private sector and will discuss whether it is possible to continue development of the midsize rockets--to be developed jointly by the public and private sectors--under government initiative.

(return to top)

### 9. Japan Free Trade

Reuters (Chisa Fujiioka, "JAPAN PM BRUSHES OFF SKEPTICISM OVER FREE TRADE", 2008/11/23) reported that Japan tried to brush off skepticism on Sunday over its commitment to a breakthrough in global trade talks given its politically sensitive farm sector, saying the financial crisis should not fuel protectionism. Prime Minister Taro Aso and other leaders at a weekend meeting of the Asia-Pacific Economic Cooperation (APEC) forum urged free trade and supported a push to revive the long-stalled Doha round of trade talks before the year's end. But doubts remained over whether Tokyo is willing to open up heavily protected markets such as rice, wheat and dairy products.

(return to top)

### 10. Japan Constitutional Revision

Kyodo News ("MORE PEOPLE INVOLVED IN PRO-CONSTITUTION MOVES: OE", 2008/11/24) reported that Nobel Prize laureate Kenzaburo Oe said Monday he sees it as a positive sign that more people in Japan are becoming involved in pro-pacifist Constitution activities as a "norm" of their own. "I see people participating in the activities of the Article 9 Association as their own norm when I make lecture tours," Oe told the national assembly of the pro-Constitution group in Tokyo. "And I believe it will definitely contribute to developing pacifism globally if such moves become the heritage of Japan."

(return to top)

### 11. Japan Missile Defense Program

PR Newswire ("JAPANESE TROOPS CONDUCT SUCCESSFUL PATRIOT FIRINGS AT FORT BLISS", 2008/11/24) reported that two Japanese Patriot crews recently engaged targets in a successful practice firing at Fort Bliss, Texas. Raytheon Company provided operational support for the annual service practice conducted by Japan Air Self-Defense Force troops. "From Raytheon's perspective, all visual indications and initial data readings support a successful mission," said Dan Smith, president of Raytheon Integrated Defense Systems. "The results of this annual service practice are indicative of the system's reliability and the high readiness of Japanese Patriot crews."

(return to top)

### 12. PRC Climate Change

San Francisco Business Times (Lindsay Riddell, "CLIMATE HEATS UP FOR BAY AREA-PRC TIES", Shanghai, 2008/11/21) reported that the pace and scale of PRC's development — and its looming impact on the global environment — are combining to create a massive market opportunity for green building and energy efficiency technologies. By 2020, PRC is expected to renovate 25 percent of its residential and public buildings in Shanghai and other large cities as well as 10 percent to 15 percent in smaller cities. PRC's Building Code, similar to the U.S. LEED green building standards, will create a green building design and materials market totalling \$1.5 trillion by 2020, according to The Climate Group's PRC's Clean Revolution report.

(return to top)

#### 13. PRC Energy

China Automotive News ("ALTERNATIVE-ENERGY CARS ARE PROMISING IN PRC", Shanghai, 2008/11/24) reported that A.T. Kearney, a global management consulting firm, yesterday released its report on the prospect of alternative-energy vehicles in PRC, a market which will see a bright future for hybrid cars, said Shanghai Securities News today. Sedans driven by alternative energies (including all non-pure-gasoline fuel and hybrid power, electric and fuel-cell technologies) are projected to capture 39% of the whole new vehicle market in PRC by 2020, and the most advantageous form of the alternative energy is the gasoline hybrid power, which will drive 26% of the future vehicles.

Agence France-Presse ("PRC SAYS SOUTHEAST NUCLEAR PLANT PART OF STIMULUS PLAN", Shanghai, 2008/11/24) reported that PRC National Nuclear Corp., the country's biggest nuclear

reactor builder, said Monday it has begun building a plant in the southeast as part of the government's economic stimulus plans. The CNY100 billion (\$14.6 billion) plant in Fuqing in the province of Fujian will have six 1,000-megawatt reactors, the state-run company said in a statement.

(return to top)

#### 14. Sino-US Energy Cooperation

Deseret News ("HUNTSMAN TO STRENGTHEN TIES WITH PRC ON ENERGY", Beijing, 2008/11/22) reported that Gov. Jon Huntsman Jr., who speaks fluent Mandarin, is looking to strengthen ties with PRC on energy issues as head of the Western Governors' Association. Huntsman said Friday he met with PRC embassy officials about a Western Governors' Association mission to PRC planned for next May. The governors will be looking for ways in which PRC and the western U.S. can work together on energy development and emissions control.

(return to top)

### 15. PRC Economy

Arirang News ("PRC CARMAKERS PLEAD FOR BAILOUT", Beijing, 2008/11/24) reported that the PRC auto market is in better shape than the markets of the U.S. or Europe, but PRC carmakers are asking for financial aid from their government. At the 2008 Guangzhou Auto Show, top Chinese executives urged Beijing for help stabilizing the local auto industry in the form of tax cuts, lower fuel prices and support in developing environmentally friendly cars.

Inter Press Service (Abid Aslsm, "PRC SETS A GREEN STANDARD", Washington, 2008/11/25) reported that PRC's efforts to green its financial sector have earned a thumbs-up from US environmentalists. Friends of the Earth-US, highlighted in a recent report PRC financial sector policies designed to limit pollution and climate change and to encourage lenders and investors to take a longer-term and broader view of risk, one that factors in the risk of losses stemming from potential environmental problems. The study, "The Green Evolution: Environmental Policies and Practice in China's Banking Sector", hailed regulations that it says are working to prohibit PRC banks from lending to companies not in compliance with environmental laws

(return to top)

### 16. PRC Urban Insecurity

Business Week ("CHINA PREPARES FOR URBAN REVOLUTION", 2008/11/24) reported that over the next 17 years, 350 million rural residents (more than the entire U.S. population today) will leave the farm and move to the PRC's cities. That will bring the PRC urban population from just under 600 million today to close to 1 billion, changing the PRC into a country where more than two-thirds of its people are city dwellers, says Jonathan Woetzel, a director in McKinsey's Shanghai office. Meeting the infrastructure needs of the newly expanded cities will be both a challenge and an opportunity. More than 5 billion square meters of road will need to be added and as many as 170 mass-transit systems built.

(return to top)

#### 17. PRC Earthquake Reconstruction

Financial Times (Jamil Anderlini, "PRC TO FUND JUST 20% OF QUAKE REBUILD", Beijing, 2008/11/21 19:00:00 GMT+0) reported that the government will fund just a fifth of the estimated Rmb3,000bn cost of reconstruction and development in earthquake-affected Sichuan, leaving businesses and state-owned banks to pay for the rest, provincial officials said on Friday.

(return to top)

### 18. Tibet Leadership

Asian News International (Jeremy Page, "DALAI LAMA MAY APPOINT A REGENT TO SUCCEED HIM", Dharmashala, India, 2008/11/23) reported that the Dalai Lama, Tibet's exiled spiritual leader, is considering appointing a regent to lead the Tibetan movement after his death until his reincarnation is old enough to take over. The idea was discussed this week at an unprecedented meeting of 600 Tibetan exiles in Dharamsala. It is the latest proposal intended to ensure a smooth succession after the death of the Dalai Lama, who is 73 and has been suffering recently from ill health. The most likely candidate for the regency is the 23-year-old Karmapa Lama, the third highest in the Tibetan Buddhist hierarchy, who was born and raised in Tibet but escaped to India in 2000 in a huge embarrassment for PRC's government.

(return to top)

#### II. PRC Report

#### 19. PRC Environment

Morning News (Han Xiaoning, "SHANGHAI TO "SPRAY" 24.6 BILLION YUAN IN WATER", 2008/11/20) reported that the fourth round environmental protection plan of Shanghai which will be launched next year will at least invest 24.6 billion yuan in water governance, according to Shanghai Municipal Environmental Protection Bureau. During the first three rounds of the plan, the water quality of Shanghai remains stable, which demonstrates the water quality of seriously polluted Huangpujiang River has been improved a lot. At the end of this year, the layout of sewage treatment plants will be completed, and the network of the plants will cover the whole city.

(return to top)

#### 20. PRC Energy and Environment

Science and Technology Daily (Li He, "ENVIRONMENTAL PROTECTION INDUSTRY TO BE THE NEW ECONOMIC GROWTH POINT", 2008/11/24) reported that the executive meeting of the State Council put out recently that by the end of 2010, the PRC will invest 4 trillion yuan on ten projects including eco-environment and rural infrastructure construction, to stimulate domestic demand. The ten projects will bring a strong demand for cement, building materials and other highly polluted and highly energy consumption industries. Expert said the environmental protection industry must take

this opportunity to accelerate the development of innovation capability and core technology of environmental protection industry.

(return to top)

#### 21. PRC Tourism

Shanghai Government website ("PUDONG DISTRICT TOURISM ASSOCIATION TO SET UP BLACK LIST", 2008/11/20) reported that director of Pudong District Tourism Association said at an interview that the 2010 Shanghai World Exposition will bring a big increase in revenue for tourism valued near 100 billion yuan. How to seize the opportunity in front of the door becomes a question for Pudong District tourism industry. The Association plans to recommend 100 trustworthy tourism companies, 200 good attendants and 300 good tourist guides to the tourists around the world. The Association also plans to set up a black list to exposure bad tourist guides and receive the supervision of the public.

(return to top)

#### III. CanKor

#### 22. Report # 312

CANADA-KOREA ELECTRONIC INFORMATION SERVICE (Erich Weingartner, "DEFINING A FORWARD-LOOKING KOREA-CANADA PARTNERSHIP", 2008/11/22) reported that the sixth meeting of the Canada-Korea Forum was held in Seoul from 7 to 9 September 2008. Although the purpose of the Forum is to advance Canada's relationship with the Republic of Korea, it is natural that the DPRK often becomes a subject of discussions. The DPRK again figured prominently in this year's Forum, at least in the preparatory document. The Final Report carries only a faint echo of concern for capacity building in DPR Korea, with participants expressing little enthusiasm for a special role for Canada.

CANADA-KOREA ELECTRONIC INFORMATION SERVICE (Erich Weingartner, "CONVERSATION WITH THE PATRIOT -- PART 10 ", 2008/11/22) CanKor editor Erich Weingartner continues his fictional conversation with the DPR Korean "patriot" Pak Kim Li. Episode 10 begins with a North Korean take on the election of US President-elect Barak Obama, then morphs into a discussion of the relative merits of Western and DPRK styles of democracy.

(return to top)

## IV. ROK Report

### 23. ROK Policy toward DPRK

Kyunghyang Shinmun ("LEE'S UNPROFESSIONAL REMARKS BOOST STAGNANCY OF INTER-KOREAN RELATIONSHIP", 2008/11/24) wrote that Lee Myung-bak's unprofessional remarks about the inter-Korean relationship mainly stem from his lack of vision of the inter-Korean relationship and consistency of the related policies. Though Lee says that he aims to achieve mutual prosperity, the DPRK would not be able to trust him, who keeps on mentioning unification under a democratic regime. Thus Lee should acknowledge his weaknesses of his DPRK policy and seek new ways to ease the tension on the Korean Peninsula.

(return to top)

## 24. DPRK Nuclear Program

DongA Ilbo ("SIX PARTIES TO SOLVE VERIFICATION ISSUE", 2008/11/24) said it is time for the DPRK to make a decision. Participating nations of the six-party talks are ready to provide additional compensation toward the DPRK if they cooperate for the verification of nuclear program. Whether the Obama Administration's DPRK policy is going to be to pressure them or to give them incentives is up to the DPRK's choice.

(return to top)

### 25. ROK, U.S., Japan Policy Coordination

PRESSian ("ROK-US AGREE TO PRESSURE DPRK DURING LEE-BUSH'S SUMMIT TALKS, BUSH "DPRK SHOULD KEEP PROMISE", MB "DPRK SHOULD CHANGE ATTITUDE"", 2008/11/24) wrote that although Lee Myung-bak and George Bush showed such a 'special friendship', they failed to make any particular agreement, experts analyzed. Concerning issues such as the DPRK nuclear problem and global financial crisis, the leaders of the ROK, US, and Japan just dealt with the matter from a theoretical point of view, by saying that the three nations should act collaboratively. Some experts also analyzed that three leaders, who are known as hard-liners toward the DPRK, tries to pressure US President-elect Obama.

(return to top)

#### 26. Inter-Korea Relations

Kyunghyang Shinmun ("DPRK'S SUSPENSION OF GAESONG TOURISM, MISTAKE", 2008/11/25) reported that the DPRK shouldn't have threatenened the ROK by saying that they would suspend tourism and close the complex in Kaesong even without trying to activate the projects. It is apparent that the DPRK's action will give a bad influence on the DPRK-US relationship.

(return to top)

View this online at: https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-25-november-2008/

Nautilus Institute

608 San Miguel Ave., Berkeley, CA 94707-1535   Phone: (510) 423-0372   Email: nautilus@nautilus.org	