NAPSNet Daily Report Thursday, June 14, 2007

Recommended Citation

"NAPSNet Daily Report Thursday, June 14, 2007", NAPSNet Daily Report, June 14, 2007, https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-thursday-june-14-2007/

NAPSNet Daily Report Thursday, June 14, 2007

NAPSNet Daily Report Thursday, June 14, 2007

I. NAPSNet

- 1. DPRK Funds Transfer
2. DPRK Missile Test
3. DPRK Food Aid
4. US-ROK Trade Relations
5. US on ROK Iraq Deployment
6. Sino-US Military Relations
7. Sino-Indian Relations
8. PRC Politics

Preceding NAPSNet Report

I. NAPSNet

1. DPRK Funds Transfer

New York Times ("FUNDS RELEASED IN NORTH KOREA DEAL", 2007-06-14) reported that the banking authorities in the United States and Macao today began to transfer millions of dollars to the DPRK and end a dispute that has stalled an agreement to dismantle the DPRK's nuclear programs.

Francis Tam, the secretary of economy and finance of Macao, confirmed that the money had been sent, but did not say where, The Associated Press reported from Macao. But a Macao government official, who requested anonymity, said that the money was sent today to the United States to the Federal Reserve Bank of New York. From New York, the funds were to be transferred to the Russian central bank and then to an account controlled by the DPRK government in a Russian commercial bank.

(return to top) Bloomberg News ("U.S. PLANS NORTH KOREA NUCLEAR TALKS IN CHINA, JAPAN", 2007-06-14) reported that Assistant Secretary of State Christopher Hill said the U.S., Russia and other nations had worked very hard on resolving a banking dispute and plans talks with Japan, the ROK and PRC next week. The trip comes after Russia announced yesterday it is prepared to allow its banks to transfer of frozen funds. The DPRK has refused to close its Yongbyon plutonium reactor until it can access the money through the international banking network. Dalnevostochniy Bank in the Russian Far East, will probably help transfer the Macau funds, Moscow-based Ekho Moskvy radio station said earlier today. (return to top) RIA Novosti ("$20 MLN OF NORTH KOREA'S FUNDS TRANSFERRED FROM MACAO BANK", 2007-06-14) reported that according to Yonhap agency, the funds would likely be transferred to the Federal Reserve Bank of New York and later wired to Russia's Dalkombank in the country's Far Eastern Khabarovsk Territory, via Russia's Central Bank. Following the reports, the Russian Finance Ministry said it did not have confirmation of the DPRK funds transfer. "Media should not spread unconfirmed rumors on this issue," a source with the ministry told RIA Novosti. (return to top)

2. DPRK Missile Test

Asia Pulse ("NORTH KOREA FIRES MISSILES AGAIN, DRAWING US CONDEMNATION", 2007-0--14) reported that less than two weeks after launching a missile, the DPRK test-fired two short-range missiles off its western coast on June 7, sparking security concerns in Northeast Asia. Intelligence and military officials in Seoul said the DPRK was believed to have tested two missiles, either a surface-to-ship type or a ship-to-ship type, both with ranges of less than 100 kilometres. The United States immediately condemned the DPRK's action, but the ROK has played down the significance of the launch. An official at RO Korea's Joint Chiefs of Staff (JCS) said the DPRK fired short-range missiles as part of its routine military exercises.

(return to top)

3. DPRK Food Aid

Voice of America ("SOUTH KOREA APPROVES INTERIM FOOD AID TO NORTH", 2007-06-14) reported that the ROK has agreed to send $25 million worth of emergency food aid to the DPRK via the United Nations. Seoul is holding back a far larger food shipment, however, until Pyongyang lives up to its promise to start dismantling its nuclear weapons programs. There are new signs of a possible first step in that direction, but nothing concrete yet.

(return to top)

4. US-ROK Trade Relations

Joongang Ilbo ("ADJUSTMENTS COMING FOR KORUS FTA", 2007-06-14) reported that a proposal for FTA renegotiations will soon be sent to the ROK government, Susan Schwab, US Trade Representative, told ROK Trade Minister Kim Hyun-chong at an economic forum in St. Petersburg, Russia, last week. Ambassador Kim Jong-hoon, who led the negotiating team for the ROK-US trade

talks, told lawmakers that Schwab said the US will ask for talks to reflect new policies, mainly on labor and trade issues. The meeting between the officials was "unscheduled," said Ambassador Kim.

(return to top)

5. US on ROK Iraq Deployment

Agence France-Presse ("US ASKS SKOREA TO EXTEND IRAQ TROOPS: OFFICIAL", 2007-06-14) reported that the US has asked the ROK to extend the stay of its troops in Iraq, the ROK's defence minister said. The deployment is slated to end at the end of this year unless parliament approves an extension by the end of this month. The ministry has so far expressed reservations over a second extension. Meanwhile, the ministry said about 350 troops would leave for Lebanon on July 19 to take part in United Nations peacekeeping operations there.

(return to top)

6. Sino-US Military Relations

Agence France-Presse ("US MILITARY PREPARED FOR 'WORST' WITH CHINA: OFFICIAL", 2007-06-14) reported that the PRC's secretive transformation of its military power leaves the US preparing for the worst eventualities, including over Taiwan, a Pentagon official said. Richard Lawless, the Pentagon's deputy undersecretary for Asia-Pacific affairs, said the US government urgently wanted to launch a strategic dialogue to discuss the PRC's military intentions, especially over nuclear arms. "Not being able to, we must plan and prepare for the worst," he said.

(return to top) Agence France-Presse ("CHINA ACCUSES US OF 'COLD WAR' MENTALITY AFTER BUSH COMMENTS", 2007-06-14) reported that the PRC accused the US of harbouring a "Cold War" mentality over a tribute by US President George W. Bush to people who have died under communism. "We express our strong dissatisfaction and stern opposition to the words and actions of the American side and have already lodged solemn (diplomatic) representations," foreign ministry spokesman Qin Gang said. Qin's remarks came after Bush unveiled a new memorial in Washington that mourns tens of millions of people who were killed under communist rule. (return to top)

7. Sino-Indian Relations

The Economic TImes ("CHINA-INDIA TRADE RISES TO $14.2 BN", 2007-06-14) reported that bilateral trade between India and the PRC rose 53.7 per cent to 14.2 billion US dollars during the first five months of the year, witnessing the fastest growth rate among the PRC's top ten trading partners. The PRC's trade surplus in May soared tthe same period of last year, the customs figures showed.

(return to top)

8. PRC Politics

Agence France-Presse ("NON-PARTY MINISTER A "STEP" TOWARDS CHINESE DEMOCRACY ", 2007-06-14) reported that the PRC's first non-Communist Party minister in decades said his appointment shows the country is moving towards a more democratic system based on merit, not political affiliation. "I think this is a very important step in the development of China's political system and greater democracy," Science and Technology Minister Wan Gang told reporters during his first press conference. Wan's appointment in April made him the first member of the PRC's

cabinet in decades to come from outside the Communist Party.

(return to top)

View this online at: https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-thursday-june-14-2007/

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