

NAPSNet Daily Report Thursday, November 09, 2006

Recommended Citation

"NAPSNet Daily Report Thursday, November 09, 2006", NAPSNet Daily Report, November 09, 2006, https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-thursday-november-09-2006/

NAPSNet Daily Report Thursday, November 09, 2006

NAPSNet Daily Report Thursday, November 09, 2006

I. NAPSNet

- 1. ROK Sanctions on DPRK
 - 2. ROK on Inter-Korean Summit
 - 3. GNP on USFK
 - 4. USFK after Rumsfeld's Resignation
 - 5. DPRK on Six Party Talks
 - 6. US on Six Party Talks
 - 7. US Experts Visit DPRK
 - 8. DPRK-US Relations of Midterm Elections
 - 9. Source on DPRK-Russian Talks
 - 10. Attacks on Korean School in Japan
 - 11. DPRK Cargo Ship in India
 - 12. <u>DPRK-Iran Relations</u>
 - 13. PRC-US Relations after Midterm elections
 - 14. PRC-Japan Gas Drill Dispute
 - 15. PRC Aid to DPRK
 - 16. PRC Inflation
 - 17. PRC Foreign Exchange Reserves

Preceding NAPSNet Report

I. NAPSNet

1. ROK Sanctions on DPRK

Bloomberg News ("SOUTH KOREA WILL IMPLEMENT UN SANCTIONS ON N. KOREA", 2006-1--09) reported that the ROK government will implement UN sanctions on DPRK. "We will honor the UN resolution faithfully, which will mean imposing some sanctions on North Korea," Prime Minister Han Myeong Sook said. "That indicates a revision in the direction of the government's policy."

(return to top)

2. ROK on Inter-Korean Summit

Yonhap News ("ROH'S OFFICE DENIES MEDIA REPORT OF INTER-KOREAN SUMMIT", 2006-1--09) reported that the RO Korean government is not pushing for an inter-Korean summit for now, the office of President Roh Moo-hyun said Thursday, denying an earlier media report alleging that secret inter-Korean negotiations have been under way.

(return to top)

3. GNP on USFK

Yonhap News ("OPPOSITION LEADER CALLS FOR STRONG ALLIANCE WITH U.S., CAUTIOUS N. KOREA POLICY", 2006-11-08) reported that the head of ROK's main opposition Grand National Party (GNP) called on the government to immediately scrap its plans to retake US-held wartime operational control of its troops, claiming it would lead to serious rifts in the US-ROK alliance. "The government must halt its negotiations (on the transfer of wartime operational control) with the US until DPRK nuclear threats completely disappear," Kang told the National Assembly.

(return to top)

4. USFK after Rumsfeld's Resignation

Korea Times ("KOREAN MILITARY SEES FLEXIBILITY AFTER RUMSFELD'S DEPARTURE", 2006-11-09) reported that the departure of US Secretary of Defense Donald H. Rumsfeld could strengthen ROK's position regarding the controversial timing for the transfer of wartime operational control and further improve the ROK-US alliance, a defense analyst said Thursday. "I'm sure the replacement of the U.S. defense chief will certainly have influence on pending issues between the two nations, including the negotiations on the roadmap for command rearrangements, given the U.S. military strategy on South Korea was largely wielded by Rumsfeld's personal decision," Kim Changsu, director of U.S. studies at the Korea Institute for Defense Analyses (KIDA), told The Korea Times.

(return to top)

5. DPRK on Six Party Talks

Associated Press ("N.KOREA RETURNING TO NUCLEAR TALKS TO REMOVE 'U.S. NUCLEAR THREAT,' NEWSPAPER SAYS", 2006-11-09) reported that the DPRK is returning to international

talks on its nuclear program to "completely remove the U.S. nuclear threat," a pro-Pyongyang newspaper said. DPRK "is not taking part in the six-party talks just to have financial restrictions removed," the Tokyo-based Choson Sinbo said in an editorial. "The aim is ... to completely remove the U.S. nuclear threat," wrote the newspaper. "If the U.S. does not live up to its responsibility and obligation with regard to the denuclearization of the Korean Peninsula, North Korea will not give up its nuclear" weapons, the paper said.

(return to top)

6. US on Six Party Talks

MosNews ("U.S. ENVOY SEES TOTAL AGREEMENT WITH MOSCOW AND BEIJING ON NORTH KOREA CRISIS", 2006-11-09) reported that a top US envoy has said that Washington was in lockstep with its partners including PRC and Russia on how to defuse the DPR Korean nuclear crisis, the AFP news agency reports. US Undersecretary of State Nicholas Burns was speaking in Beijing after meeting Russian Deputy Foreign Minister Alexander Alexeyev, Moscow's top delegate to six-nation talks aimed at getting Pyongyang to abandon its nuclear program. "I think the five parties are very strongly together on what needs to be done, and that is the complete denuclearization of the Korean peninsula (and) the fulfillment of the September 2005 agreement that North Korea has signed up to," Burns told reporters. "There is strength in the international community that the message to North Korea should be: 'You need to stop your illegal activities'."

(return to top)

7. US Experts Visit DPRK

Yonhap News ("AMERICAN EXPERTS ON KOREAN AFFAIRS VISIT N.K. FOR FIRST TIME SINCE OCT. 9 NUCLEAR TEST", 2006-11-09) reported that a group of former US officials and scholars, including a previous point man on DPRK policy, visited Pyongyang last week and met with Foreign Ministry and nuclear reactor facility officials. They are the first Korea experts from the US to travel to the DPRK since Pyongyang's nuclear test on Oct. 9. The group included Jack Pritchard, KEI president and former US special envoy on DPRK; Siegfried Hecker, visiting professor at Stanford University and former director of Los Alamos National Laboratory; and Robert Carlin, visiting fellow at Stanford and former chief of the State Department bureau of intelligence and research.

(return to top)

8. DPRK-US Relations of Midterm Elections

Korea Herald ("U.S. LIKELY TO 'FRESHEN UP' APPROACH ON N.K. DILEMMA", 2006-11-09) reported that despite the Democratic Party's sweeping win in this week's mid-term elections, the main thrust of US policy on DPRK will remain unchanged. But the shift in power will present an opportunity to freshen up how that policy is put into action, observers said. "There will be no big change in the basic policy towards the Korean peninsula, but there will be some changes in its implementation," said Hong Soon-jick, a researcher at Hyundai Research Institute. The United States will maintain its commitment to the six-party talks, but become more enthusiastic about bilateral meetings with North Korea and making behind-the-scenes contacts, he said.

(return to top)

9. Source on DPRK-Russian Talks

Interfax ("NORTH KOREAN DIPLOMAT DISCUSSES RESUMPTION OF SIX-WAY TALKS IN MOSCOW - SOURCE", 2006-11-09) reported that the DPR Korean Deputy Foreign Minister Kang Sok Ju arrived in Moscow on a brief working visit on Tuesday, a DPR Korean source in Moscow told Interfax. "Having learnt of the North Korean diplomat's plans to visit Moscow, journalists from South Korea, Japan and other countries accredited in Moscow waited for him at a Moscow airport for several hours. But they could not recognize Kang Sok Ju," the source said. "It is hard to say whether this is a stopover for Kang Sok Ju [en route to some other destination] or a brief visit. The only thing obvious is that his meetings or meeting with Russian representatives have taken place behind closed doors," he said. "It is also obvious that the main goal of the trip is to discuss the situation with the resumption of the six-party talks on the Korean peninsula's nuclear problem," the source said.

(return to top)

10. Attacks on Korean School in Japan

Japan Today ("171 ATTACKS ON KOREAN SCHOOLS, STUDENTS REPORTED SINCE JULY", 2006-11-09) reported that a total of 171 cases of verbal or physical attacks directed at Korean schools and their students have been reported across Japan since the DPRK test-fired ballistic missiles on July 5, a pro-Pyongyang group said Tuesday. The General Association of Korean Residents in Japan, known as Chongryon, said that Korean schools have reported 120 cases of such attacks from July to Oct 2 and another 51 cases since Oct 3, when the DPRK announced it would conduct a nuclear test. Incidences of harassment include violence against students and an incident in which a school's musical instruments were dumped at its athletic field in Yamaguchi Prefecture.

(return to top)

11. DPRK Cargo Ship in India

Asia Times ("DETAINED IRAN-BOUND NORTH KOREA SHIP BAFFLES INDIA", 2006-11-09) reported that India has detained an empty DPRK cargo ship bound for Iran after it strayed into Indian waters, baffling coast guard officials and police about the purpose of its voyage. "MV Omrani-II" developed a snag and entered Indian waters on October 29 and was towed to the Mumbai Port where the crew was being questioned by Indian intelligence and customs officials. "The crew has not been able to explain why they were sailing an empty vessel to Iran," a senior coast guard official told Reuters on condition of anonymity on Thursday.

(return to top)

12. DPRK-Iran Relations

Yonhap News ("N. KOREAN DELEGATES LEAVE FOR IRAN TO ATTEND REGIONAL PARLIAMENTARY MEETING: KCNA", 2006-11-09) reported that the DPRK said it has sent a delegation to Iran to participate in a regional parliamentary meeting held there.

(return to top)

13. PRC-US Relations after Midterm elections

Associated Press ("CHINA ANTICIPATES BUMPY ROAD WITH U.S.", 2006-11-09) reported that PRC is uneasily anticipating a bumpy road in relations with the US now that the Democrats' victory in midterm elections has placed one of Beijing's most ardent critics in charge of the House of Representatives. Speaker-elect Nancy Pelosi climbed the Democratic Party ranks in Congress savaging PRC for its human rights abuses. She opposed awarding PRC normal trading relations throughout the 1990s and giving Beijing the 2008 Olympics, seeking to deny the country apparent US approval for its behavior. With the 66-year-old Pelosi now in a more powerful public pulpit, China is expecting more critical treatment.

(return to top)

14. PRC-Japan Gas Drill Dispute

Bloomberg News ("JAPAN PROTESTS CHINA GAS DRILL IN DISPUTED FIELD, SHIOZAKI SAYS", 2006-11-09) reported that Japan protested PRC's natural gas production in a disputed area of the East China Sea, Chief Cabinet Secretary Yasuhisa Shiozaki said. Japan's government lodged a protest against PRC's gas development near the area on Nov. 2, a day after it discovered the activity, Shiozaki said at a regular news briefing in Tokyo today. PRC rejected Japan's request to halt production, he said.

(return to top)

15. PRC Aid to DPRK

Asia Times ("BEIJING REVEALS ITS HUMANITARIAN SIDE", 2006-11-09) reported that the PRC has sent 20,000 tons of diesel fuel and 40 million yuan (US\$5 million) worth of machine parts and beans to the DPRK this year as part of a humanitarian aid program, according to a PRC government document posted online. The report, posted on Wednesday, indicated that China is continuing to assist financially the DPRK. PRC's Ministry of Commerce reported on its website that it provided 10,000 tons of diesel fuel to the DPRK in March and another 10,000 tons in September. September's diesel shipment is believed to have been part of PRC's aid package to flood victims in the DPRK, as both governments earlier announced their delivery but failed to disclose the amount.

(return to top)

16. PRC Inflation

Bloomberg News ("CHINA INFLATION LIKELY ACCELERATED IN OCTOBER ON FOOD, FUEL", 2006-11-09) reported that inflation in PRC probably accelerated in October as food and fuel costs increased. Inflation hasn't topped 2 percent for 18 months even as economic growth accelerated to a decade-high this year, damping expectations that the central bank will add to two lending rate increases since April. Excluding food, prices rose in September at the slowest pace in four months. "Consumer price fluctuations over the past two years have been almost completely due to food and energy prices," said Jonathan Anderson.

(return to top)

17. PRC Foreign Exchange Reserves

Bloomberg News ("DOLLAR DECLINES AFTER REUTERS SAYS CHINA MAY DIVERSIFY RESERVES", 2006-11-09) reported that the dollar fell to the lowest against the euro in more than

two months after Reuters reported People's Bank of China Governor Zhou Xiaochuan said he has a "clear" plan to diversify the country's foreign-exchange reserves. PRC's foreign-currency reserves have exceeded \$1 trillion to become the most ever held by a single country. US assets may comprise 72 percent of PRC's reserves, according to Miller Tabak & Co. in New York. "The market is taking this as a hint that China may speed up its pace of diversification away from the dollar and into other currencies," said Alan Ruskin, head of international currency strategy in North America at RBS Greenwich Capital Markets Inc. in Greenwich, Connecticut.

(return to top)

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