SEN LAM: Scott, how much of a blow is this to South Korea’s attempts at improving ties with its northern cousin?

SCOTT BRUCE: Well, this is a setback but it’s not the end of North/South relations. You can think of this as a shot across the bow of inter-Korean relations, rather than an attempt to blow them out of the water. What we’re seeing is the North slowly raising the pressure on the South to try and force it to change its policy towards the North and limit the activities of South Korean civic groups that are trying to drop leaflets and pamphlets into the North. So, a few days ago, a general from the North asked how long it would take for the South to pull out of the Kaesong industrial facility. Today, the North said it would close its border on December 1st, unless actions are taken, and now it’s going to shut down the Red Cross office, a channel between the two countries. So the North is turning up the heat to let the Lee Myung-bak government know that it’s not going to bend to pressure or tolerate attempts to undermine the regime’s control. And that it’s willing to sacrifice inter-Korean economic cooperation, a very important source of funding for the North, in order to drive this point home. Now, it remains to be seen if this is actually the case. These ties are important to the North and a very important source of funding but what we’re seeing now is a stand-off between the two countries and it’s not clear who exactly is going to blink first.