



North Korea-South Korea Relations:
Back to Belligerence

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For almost the whole of the first quarter of 2008, official inter-Korean relations were largely suspended in an uneasy limbo. As of late March, that void was the story. Up to a point this was only to be expected. A new conservative leader in Seoul – albeit a pragmatist, or so he tells us – was bound to arouse suspicion in Pyongyang at first. Also, Lee Myung-bak needed some time to settle into office and find his feet.

Still, it was remarkable that this limbo lasted so long. More than three months after Lee's landslide victory in the ROK presidential elections on Dec. 19, DPRK media – which in the past had no qualms in dubbing Lee's Grand National Party (GNP) as a bunch of pro-U.S. flunkies and national traitors – had made no direct comment whatsoever on the man Pyongyang has to deal with in Seoul for the next five years. Almost the sole harbinger of what was to come – a tocsin, in retrospect – was a warning snarl in mid-March against raising North Korean human rights issues. One tried to derive some small comfort from this near-silence; at least the North did not condemn Lee *a priori* and out of hand.

In limbo

Yet the hiatus already had consequences. Perhaps predictably, most of the big inter-Korean projects that Lee's predecessor, the center-left Roh Moo-hyun, had rushed to initiate in his final months in office after his summit last October with the North's leader, Kim Jong-il, barely got off the ground. The full diary of specific committee and sub-committee meetings anticipated in our last report thus went into abeyance, other than a couple of desultory and inconclusive meetings in January about roads and railways.

Nor did North Korea – no doubt too proud to ask someone it did not trust – request its usual fertilizer and rice aid, even as the seasonal clock was ticking for the former to come in time. (As April begins, it is too late now for this year; the well-informed Buddhist Southern NGO Good Friends reports that worried North Korean farmers are already feeling the pinch, with some observers fearing that chronic malnutrition could once more slip into actual famine.)

Granted, it was hard to be optimistic given that the Six-Party Talks (SPT) remained separately but similarly stalled. Moreover, a month after he took office on Feb. 25, Lee Myung-bak was still giving off mixed – if not contradictory – signals as to precisely what

combination of stick and carrot his North Korean policy would comprise. Meanwhile, since in democratic South Korea the government no longer monopolizes dealings with the North, citizens and some businesses continued their own contacts. The new administration neither encouraged nor reined them in, as ever simply requiring reports on what they were up to.

Pondering all this on March 26, I wrote: “Someone should make a move, and no doubt ere long they will.” And how. The next day the North expelled 11 Southern officials from the Kaesong Industrial Complex, unleashing a war of fierce words – and some deeds – which as of mid-April showed no sign of abating. So just as the bitter Korean winter gave way to warm spring, the peninsula’s political weather looked headed the opposite way. Hopes that ten years of the “sunshine” policy had rendered such wild swings and squalls a thing of the past may thus have been premature after all.

Happy New Year?

2008 had begun promisingly enough. North Korea’s joint New Year editorial of three daily papers – those of the party, military and youth movement – which typically sets the policy agenda, called last October’s North-South summit “a turning point in achieving national reunification”, at which “the road to many-sided cooperation was opened.”

As if to confirm this, three days later on Jan. 4 a second load of Northern zinc arrived in Incheon, the port city for Seoul. With an earlier shipment on Dec. 14, this completed the North’s initial repayments of minerals under a barter deal whereby the South is sending raw materials worth \$80 million for Northern consumer industries. In a telling comment on the one-sidedness of the “sunshine” policy, the Unification Ministry (MOU) noted that this was the first time Pyongyang has ever repaid any debt to Seoul. (The hitherto annual supply of rice and fertilizer is nominally a loan too, but no one seriously expects it ever to be repaid.)

On Jan. 7, MOU reported that in 2007 inter-Korean trade rose by one-third, from \$1.35 to \$1.79 billion. Although bizarrely the trade balance was not given, in an encouraging trend non-commercial exchanges – aid, to speak plainly – fell 13 percent, while the proportion of true commerce rose. Thus trade in minerals and marine products was up by over half (52 per cent) year on year, while shipments to and from the Kaesong Industrial Zone (KIZ), just north of the Demilitarized Zone (DMZ), rose 48 per cent.

A chillier wind

Yet already there were contrary signs too. Also on Jan. 7, President-elect Lee’s transition committee (TC) – increasingly making the running on policy, well ahead of Lee’s formal assumption of power on Feb. 25 – asked MOU to slow down some of the larger and newer inter-Korean projects agreed by Roh Moo-hyun, such as the proposed Haeju peace zone and a joint shipyard at Anbyon, pending their review as the incoming government. Not for the first time, there were hints that henceforth Seoul’s commitment to such

ventures would be linked to progress in the SPT. In response, MOU asked that North-South meetings and surveys already agreed should be allowed to proceed as scheduled.

The ministry also pleaded not to be abolished, as Lee planned. Currying favor with its new masters, MOU suggested that future aid might be linked to Pyongyang being serious about discussing the thousand-plus Southern POWs and abductees whom it still denies holding. The same day, the soon-to-be-ruling GNP asked the TC to be cautious in some contentious areas, like abolishing MOU, which might harm the party in National Assembly elections due on Apr. 9. This complex interplay of Lee, the TC, the GNP, MOU, and others did not help provide clarity. Although transitions are bound to be fluid in some degree, at least with the old sunshine policy, oft as I have criticized it, everyone knew where they were.

MOU survives

As observers everywhere – in Pyongyang above all, but also in Seoul and overseas – strove to read the tea leaves on what to expect from Lee Myung-bak, his bid to kill the MOU was one key signal, if hard to decode precisely. In part, it reflected a wider wish to slim down a government seen as having become bloated under Roh. Lee initially planned to close five out of 17 ministries, although in the end two were spared – including MOU.

He also had more specific motives, or at least the Ministry of Foreign Affairs and Trade (MOFAT) did. As we noted last time, under Roh MOFAT had smarted at MOU's policy autonomy, which often clashed with its own priorities. Some even feared MOU had gone native, in effect fighting Kim Jong-il's corner in Seoul. Hence abolishing MOU and folding it into MOFAT, as Lee planned, sent a clear signal that there was nothing special about North Korea, which from now on would be just one foreign policy issue among many – and subordinate to Lee's oft-expressed goal to mend fences with Washington.

Was that wise, or even correct? In Seoul, as no doubt in Pyongyang, some had their doubts. Both in law and substance, North Korea is not in fact just another foreign country for South Korea. Indeed in law it is not a foreign country at all. One fact not yet altered by a decade of the sunshine policy is that both the ROK and DPRK each still claim formal jurisdiction over the entire peninsula, and to be the sole legitimate government thereon. It would thus be anomalous in strictly legal terms to reclassify Northern affairs as foreign. To say this, importantly, entails no particular view on either Northern policy or diplomatic priorities.

Not foreign

After all, MOU originated in the former National Unification Board (NUB), set up in 1969 by the military dictator Park Chung-hee. For most of its nearly 40-year history it served and serviced ROK leaders more skeptical of the North than during the past decade. Although it was sunshine's begetter Kim Dae-jung who made it formally a ministry, it is not clear that this was a promotion. A decade earlier, at the start of the ROK's Sixth Republic under the ex-soldier Roh Tae-woo – a pioneer of judicious

Nordpolitik – the NUB’s minister also held the rank of deputy premier: a title which this post was subsequently stripped of.

As in law, so in substance. One concrete consequence of Seoul’s legal stand is that it admits – if not always promptly or warmly – all North Korean defectors who reach its territory as ROK citizens by right. Peering ahead into an admittedly murky crystal ball, when the hour strikes, who else but South Korea, by definition, will bear the awesome burden – Germany in spades – of eventual reunification? Despite the huge costs and challenges this will entail, it is impossible to envisage any future ROK government, of whatever political hue, being prepared to accept the Machiavellian alternative as variously mooted by Andrei Lankov and Robert D Kaplan: namely letting China pick up the pieces and do the job.

So in seeking to abolish the MOU Lee Myung-bak arguably committed what philosophers call a category-mistake, as well as a political misstep, which does not augur well. He must have known both that this would create needless anxiety in Pyongyang, and that in any case he’d be unable to ram it through an assembly still controlled by the center-left United Liberal Democrats (ULD) – who predictably played hardball to the last, refusing to confirm Lee’s Cabinet nominees unless he made some concessions on his reorganization plans. It could be a different story now that the GNP has won a slim majority in the April 9 parliamentary elections to take control of the National Assembly (NA). The new NA convenes on Jun. 5.

Mixed signals

The row over MOU was just one example of more general mixed signals on North Korea. While Lee’s general thrust was clear enough – more reciprocity and conditionality would be required of Pyongyang henceforth, and relations with the U.S. would take priority – the precise modalities and nuances were and remain unclear. Yet the devil is in the detail. Kim Jong-il could be forgiven – not a phrase one is accustomed to write – if, as the year began, he puzzled to decode precisely what the “bulldozer” in Seoul had in mind for him.

For one thing, many of the new economic projects lately launched by Roh are just the sort of pragmatic business cooperation that Lee claims to favor. Yet he has put these on ice, variously linking them to the nuclear issue, their likely cost – surely an investment for the future – and public sentiment, which polls suggest is in favor. Given that the Kaesong and Mt. Kumgang zones are already ongoing, the question is: What exactly is gained by linking such ventures to the nuclear issue, as opposed to continuing to pursue and deepen win-win cooperation (not one-way aid, for sure) as a separate inter-Korean channel in order to bind the North into economic dependency and so increase Seoul’s leverage in the longer term?

As quoted here before, the sardonic Scottish Edwardian humorist Saki’s comment applies: among all the ways to kill a cat, choking it on cream should not be overlooked. Conversely, making inter-Korean relations conditional on nuclear progress, while logical in theory, in practice reduces the ROK’s separate clout by rendering North-South

relations dependent on events beyond Seoul's control. Sunshine aside, realists too must surely ask whether such a strategy serves South Korea's national interests – however much it gratifies Washington.

Conditional on what?

But if there is to be conditionality, the next question is: On what? North Korea's sins are legion, so all its interlocutors have to prioritize somehow. The nuclear issue tends to take priority for obvious reasons. Yet human rights concerns loom large, albeit downplayed by the last two ROK governments. Not this one, which on March 29 reversed Seoul's recent practice and voted for the latest UN resolution condemning DPRK rights abuses. Oddly, even as Pyongyang around that time began to hurl old-style abuse at Seoul on many fronts, including raising human rights concerns, it did not mention that particular vote.

As noted above, the MOU has suggested that this too should be part of future conditionality for the South; especially as regards its thousand-odd ageing POWs and later abductees (mostly fishermen), whose names are known but whom Pyongyang denies holding (it claims they are all in the North by their own will). Brazen as the North's stance is, any government in Seoul faces hard choices here. The new unification minister, Kim Ha-joong, told his NA confirmation hearing that he opposed any such linkage. Yet it continues to be mooted in some circles.

Back to belligerence

After growing hints during March, Pyongyang finally made up its mind about Lee – with a vengeance. On March 27 three months of uneasy limbo in inter-Korean ties ended abruptly when, in the small hours, North Korea expelled 11 Southern officials from the Kaesong industrial zone (KIZ). They apparently got their marching orders three days earlier, after Unification Minister Kim had warned that ambitious plans to expand the zone would be hard to achieve absent denuclearization. The previous ROK government had avoided any such conditionality; in 2006 the KIZ kept operating normally in July when the DPRK launched several missiles, and again in October when it detonated a nuclear device.

Contrary to some loose Western media headlines, those kicked out were not managers but only ROK government officials. In that sense the DPRK action, though sharp, was quite carefully calculated and calibrated. For Southern managers and the zone overall, it was – and at this writing remains – business as usual. Some of the former expressed cautious optimism, along with regret that Minister Kim had not chosen his words more carefully.

The expulsions were just the first shot in what was evidently a carefully planned campaign, which unfolded daily over the next few days. On March 28, the Korean People's Army (KPA) returned to an old familiar theme: accusing ROK warships of violating DPRK waters in the West (Yellow) Sea. The waters in question lie south of the Northern Limit Line (NLL): the de facto post-1953 marine border which was declared unilaterally by the UN side at the end of the 1950-53 Korean War, after failure to reach

official agreement in the Armistice. For decades North Korea tacitly accepted this, only starting to challenge it in recent years for no very clear reason. Its own proposed line includes several Southern-held islands, and hence is obviously unacceptable to Seoul.

Not for the first time, the KPA threatened to “mercilessly wipe out the provocateurs.” As if to make good that threat, the same day it test-fired several short-range sea-to-sea missiles off the port of Nampo, having first given due warning to shipping. Meanwhile, a statement from the DPRK Foreign Ministry (MFA) blamed the U.S. for the stalled Six-Party Talks, and for not accepting Pyongyang’s assurances that it has “never dreamed of” either enriching uranium or nuclear proliferation. MFA warned that if Washington continues “to cook up fictions,” this “will seriously affect the disabling of nuclear facilities” at Yongbyon.

With no let-up for the weekend, March 29 saw the North work itself up into a rage over some arguably ill-advised remarks by the new Chairman-designate of the ROK Joint Chiefs of Staff Kim Tae-young at his confirmation hearing before the National Assembly on March 26. Claiming that Kim had threatened a preemptive strike against DPRK nuclear sites, the KPA denounced “these outbursts” as “the gravest challenge ever in the history of the inter-Korean relations and a reckless provocation little short of a war declaration against the DPRK”; adding that it will ban all ROK officials from crossing the DMZ. Next day the KPA further threatened to preempt any such Southern preemption, and “not merely plunge everything into flames but reduce it to ashes.” Somewhat less extravagantly, it warned that all inter-Korean dialogue would be suspended unless the South retracts and apologizes.

Again, even amid the fire breathing one should note the niceties. These comments both came from the DPRK military, not the government. The first was a “notice” from the head of the Northern delegation to the inter-Korean general-level military talks to his Southern equivalent, while the second had *KCNA* quoting an unnamed military commentator in an unsourced article whose actual title was rather milder: “South Korean military authorities should behave with discretion.”

Meanwhile on March 29, MFA again swung into action on another front: denouncing the EU and Japan for sponsoring the now annual resolution at the UN Human Rights Council on March 27 condemning North Korea’s human rights violations. Interestingly, Pyongyang did not mention the aspect played up by most international media: that Seoul, which had usually abstained in recent years, switched under Lee Myung-bak to supporting the latest resolution, which passed by 22 votes to 7 with 18 abstentions. It is unclear why the North missed this obvious opportunity to hurl a bit more mud at the South’s new government. Could it, just for once, have been acting with restraint?

The next news came from Seoul. On March 31, *Chosun Ilbo* reported that KPA *MiG-21* and other fighter jets had made sorties near the DMZ some ten times since Lee’s inauguration, causing ROK planes to scramble in response. Not since 2005 have so many Northern planes crossed the ‘Tactical Action Line’: an imaginary line set by the South 20-30 km north of the DMZ and NLL, any movement in the air south of which requires

an immediate ROK response. In addition KPA winter drills are said to be up 50 percent this year. On the ground, after a regular mobile exercise finished, the elite Mechanized Corps stationed in Hwanghae Province was reportedly spotted moving south. No date was given, but this was said to be an unprecedented military move.

A new month – technically beyond the first quarter, but as North Korea did not stop there then neither can we, at least briefly – finally brought direct criticism of the South's new leader, and in no uncertain terms. On April 1 a lengthy commentary in *Rodong Sinmun*, the ruling Workers' Party of Korea (WPK) daily, dubbed Lee Myung-bak "a vicious political charlatan and imposter" (sic) and a pro-US sycophant, for subordinating inter-Korean relations to wider diplomacy and linking cooperation to denuclearization.

And so it went on. As of mid-April, Pyongyang's diatribes were daily. North Korea said it regarded inter-Korean dialogue as suspended, and was denying entry to ROK government officials – but not others. Witness a useful new weekly schedule of upcoming contacts on the MOU's website, which has long meticulously itemized the now dense dealings between North and South after the event. This included the following for Apr. 7-12, in the MOU's words (and ROK-style Romanization of Northern names):

Eleven cases of humanitarian aid visits including:

- Korea Food for the Hungry International (four persons including Chairman Jung Jeong-seop) visits Pyongyang from April 9 to April 12 for consultations about support for Nangnangseomgim People's Hospital.

- ChildFund, Inc (four including director Lee Gwang-mun) visits Gaeseong on April 8 to have consultations about aid project for infants.

- Korea Foundation for International Healthcare (Secretary General of Korea Association of Health Promotion Lee Wu-cheol) visits Mt. Geumgang from April 8 to April 12 for examination of parasite and passing down related technologies.

Three cases of visits to Gaeseong Industrial Complex:

- Thirty-two people from The Export-Import Bank of Korea on April 8

- An investment inspection team of 56 people from Korea Land Corporation on April 10

- Ninety-nine people attend CL Electronics' groundbreaking ceremony on April 11.

All that sounds very much like business as usual. It is not really, of course, as long as the two governments remain at loggerheads. But unless the quarrel escalates to the point where either side decides to rein in this kind of activity too, then things may not be as bad as they sound. Note too that the South's Eximbank and Korland are para-statal entities, as the North is well aware; yet they continue to come and go. So for the next quarter, at least, inter-Korean ties may limp or hop along, so to say, on other legs – business, NGOs etc. – even while the government limb is out of action. That is better than nothing.

So Lee Myung-bak has much to mull, both with his advisers and allies. His imminent visits to both Washington and Tokyo, his first trips as president, will see all this discussed in depth. While Japan, having just renewed its own sanctions on North Korea, will welcome a harder line from Seoul, President Bush – whatever his personal gut instincts – might worry that the new inter-Korean spat is untimely, if (a big if) Chris Hill really does manage to pull another rabbit out of a frayed-looking SPT hat. Either way, one must wonder if Lee’s pledge to link future inter-Korean progress entirely to the SPT can hold.

Chronology of North Korea-South Korea Relations January-March 2008

Jan. 1, 2008: North Korea’s usual joint New Year editorial of three daily papers calls last October’s North-South summit “a turning point in achieving national reunification”, at which “the road to many-sided cooperation was opened.”

Jan. 4, 2008: A second load of DPRK zinc reaches Incheon, completing the North’s initial repayments under the raw materials for minerals barter deal (see Dec. 14).

Jan. 7, 2008: The conservative Grand National Party (GNP) asks President-elect Lee Myung-bak’s transition committee (TC) to be cautious in some contentious areas, such as abolishing the Unification Ministry (MOU), which it fears may harm the party in National Assembly elections due on April 9.

Jan. 7, 2008: The TC asks MOU to slow some inter-Korean projects, like the Haeju peace zone and Anbyon shipyard, pending their review. Such plans – but not humanitarian aid – may in the future be linked to nuclear progress in the SPT. MOU pleads not to be abolished, and for already agreed North-South meetings and surveys to go ahead as scheduled.

Jan. 7, 2008: MOU puts to the TC the idea of making aid to North Korea conditional on repatriation of Southern POWs and abductees, thought to number 548 and 485 respectively (with perhaps a further 80,000 taken North during the Korean war, who are on no one’s agenda). It cites Germany as a precedent, where West Germany paid the former East to release political prisoners.

Jan. 7, 2008: MOU reports that inter-Korean trade in 2007 rose 33 percent, from \$1.35 to \$1.79 billion. Main factors were a 52 percent rise in trade in minerals and marine products, and a 48 percent rise in shipments to and from the Kaesong industrial zone (KIZ). Non-commercial exchanges, meaning aid, fell 13 percent. No trade balance was given.

Jan. 10, 2008: A Seoul daily reveals that ROK intelligence chief Kim Man-bok secretly visited Pyongyang on Dec. 18. He told his DPRK counterpart Kim Yang-gon not to worry if Lee Myung-bak is the South’s next president, as he will continue to engage the North.

Jan. 11, 2008: Choi Won-ho, president of a South Korean fast food franchise, says he will open Pyongyang's first chicken and beer takeaway and delivery service (by motorbike) in February, in a restaurant joint venture with the North's Rakwon General Trading Co.

Jan. 14, 2008: In his New Year news conference, Lee Myung-bak says he will cooperate fully with North Korea – if it adheres to denuclearization as agreed in the Six-Party Talks (SPT). To that end he is ready to meet Kim Jong-il any time – but only in Seoul. Calling accords reached by President Roh Moo-hyun at last October's summit “lacking in details”, Lee says his government will study their implementation “from the perspective of feasibility, fiscal burdens on the people and the national consensus.” Pyongyang has yet to comment on Lee or his election.

Jan. 20, 2008: Not for the first time, DPRK media demand the abolition of the Northern Limit Line (NLL), the de facto inter-Korean border in the West/Yellow Sea.

Jan. 21, 2008: Pyongyang postpones at short notice 2008's first scheduled inter-Korean meeting, due on Jan. 22-23 in Kaesong to discuss railway cooperation, on the ground that “it is the start of the year and there are a few things to prepare.” This is taken as signalling that the North is unsure of the intentions of the South's incoming government.

Jan. 25, 2008: Working-level military talks at Panmunjom on security aspects of joint economic projects make little progress. The North again suggests reducing the daily cross-border rail service, which often runs empty. The South resists this for the sake of regularity.

Jan. 29-30, 2008: At the postponed working-level railway talks in Kaesong, it is agreed to retain daily service but to remove empty freight cars. Southern officials acknowledge that their 50-plus SMEs in the KIZ prefer the flexibility of trucks and road transport, since the train is slow and does not directly serve the zone.

Jan. 31, 2008: Wang Jiarui, a senior Beijing figure as director of the International Liaison Department of the Chinese Communist Party's Central Committee, visits the KIZ as a side trip from Pyongyang. This is a rarity: almost all visitors to the KIZ cross the border from Seoul. Wang is the KIZ's first high-profile Chinese visitor. Two PRC firms operate in the zone.

Feb. 4, 2008: Meeting in Kaesong, the two Koreas agree to send two 300-strong joint cheering squads to the Beijing Olympics in August. They will go by rail across the DMZ, on the first train to travel from Seoul to Beijing in over half a century.

Feb. 8, 2008: Unusually, 22 North Koreans whose boat drifted into Southern waters are returned, by land, the same day. The ROK government insists this was at their own request, and that the group – comprising related families – had not sought to defect.

Feb. 9, 2008: The Seoul press reports, as is later confirmed, that after inter-party talks the incoming administration will after all retain the MOU, but with less power.

Feb. 12, 2008: Pyongyang media, which rarely cover events in South Korea, report (with pictures) the fire that destroyed Seoul's historic Namdaemun gate two days earlier.

Feb. 12-13, 2008: Working talks in Kaesong on joint highway repairs in the North adopt a joint report on two site surveys carried out in December, but fail to agree on how to further inspect and renovate the Kaesong-Pyongyang road.

Feb. 14, 2008: In the first confirmation of repeated allegations by critics of the sunshine policy, sources in Seoul admit that the ROK military has known of, and seen across the border, KPA frontline units diverting Southern food aid around ten times since 2003. The outgoing government neither publicized this nor apparently ever protested to Pyongyang.

Feb. 17, 2008: Presidential TC sources confirm that MOU will remain, but is likely to be downsized into fewer and smaller divisions.

Feb. 18, 2008: Seoul media belatedly find that *Tongil Sinbo*, a nominally unofficial DPRK weekly on the South, on Jan. 26 criticized Lee Myung-bak's new year remarks on the North as reactionary, anti-reunification and "obscene talk of impropriety."

Feb. 19, 2008: 15 officials from the ROK Health Ministry join DPRK colleagues in 5-day site surveys of a hospital in Sariwon, south of Pyongyang, and for a planned surgical cotton factory. This was one of the projects agreed at last October's summit.

Feb. 21, 2008: Pyongyang denies rumours that 22 North Koreans whom Seoul returned on Feb. 8 after their boat drifted into Southern waters have been executed. It claims that they "flatly rejected an enticement that they would be guaranteed a wealthy livelihood if they defected to the South, and now live normal lives in their homes after returning."

Feb. 21, 2008: Pyongyang denies that it ever diverted Southern food aid to its military.

Feb. 21, 2008: At a tripartite meeting under the SPT, North Korea thanks China and South Korea for energy aid, but complains that it is being delivered too slowly.

Feb. 21, 2008: DPRK Vice Foreign Minister Kim Kye-gwan has a farewell meeting with his ROK counterpart Chun Young-woo in Beijing. The new government in Seoul is expected to replace Chun as its chief delegate to the SPT.

Feb. 25, 2008: Lee Myung-bak is formally inaugurated as the ROK's 17th-term president for a five-year term. DPRK media ignore this, but stress the need for great unity of the whole nation on the principle of independence.

Feb. 26, 2008: Meeting in Kaesong, the Koreans fail to agree on flags and anthems for their forthcoming football match due on March 26.

March 2, 2008: Former Unification Minister Lee Jong-suk, now a fellow at the Sejong Institute, says the ROK Bank of Korea (BoK)'s estimate of DPRK gross national income (GNI) per head in 2005 as \$1,108 – almost twice Vietnam's – is too high. Accusing BoK of incorrect methodology, Lee says an unpublished study he commissioned at MOU recalculated the North's overall GNI at \$8.4-8.9 billion – 1 per cent of the South's – or \$368-389 per capita.

March 2-7, 2008: The U.S. and ROK conduct their annual *Key Resolve/Foal Eagle* military exercises. As usual, various Pyongyang media lambaste this as a bid to ignite a new war.

March 3, 2008: At the UN Human Rights Council (HRC) in Geneva, South Korea urges the North to address international concerns about its human rights record.

March 3, 2008: North Korea's "guidance bureau of scenic site development" tells Hyundai Asan that visits by Southern civic groups to Mt. Kumgang and Kaesong city are suspended indefinitely. They may still send aid and ordinary tourism is unaffected. No reason is given. This prevents one NGO from bringing in 70,000 coal briquettes on March 4.

March 6, 2008: The Committee for the Peaceful Reunification of the Fatherland (CPRF) attacks Seoul's comments on its human rights as "reckless remarks...treacherous outbursts [and] an intolerable, grave provocation." It calls the new ROK government "descendants of the past dictatorial regime."

March 6, 2008: *Choson Sinbo*, a Tokyo-based pro-Pyongyang weekly, says "the arrows of condemnation in DPRK rhetoric on joint military drills were targeted at the U.S. troops and South Korean warmongers, not the South Korean government." It adds, "The whole Korean people want the South Korean government neither to regress in the North-South relations nor to join in behavior to do so, and choose the path of independent reunification."

March 7, 2008: South Korea's Football Association says that soccer's governing body has ruled that the World Cup qualifier between the two Koreas will be held in Shanghai instead of Pyongyang on March 26. The South had complained after the North insisted that the ROK not fly its national flag or play its anthem, proposing joint symbols instead.

March 7, 2008: The Blue House – South Korea's presidential office – announces two new committees as part of a reorganization. The aim is to better coordinate unification (meaning relations with North Korea) and foreign affairs, and subordinate the former to the latter.

March 11, 2008: President Lee proposes "shuttle summit diplomacy" with North Korea, as with South Korea's other neighbors. *Yonhap* glosses this as "a delicate departure" from

Lee's earlier stance, that he would only meet Kim Jong-il in Seoul and to discuss nuclear disarmament. Lee also tones down his earlier comments on DPRK human rights.

March 11, 2008: *Rodong Sinmun* claims that a projected triangular military alliance of South Korea, the U.S., and Japan is a leftover of the Cold War, aimed at stifling the DPRK.

March 14, 2008: *KCNA* says the DPRK will hold its first census in 15 years on Oct.1. MOU adds that the ROK will shoulder most of the cost (\$4 million out of \$5.6 million), with the United Nations Population Fund (UNFPA), which will assist, furnishing the rest.

March 16, 2008: North Korea's Democratic Front for the Reunification of the Fatherland (DFRF) accuses Southern conservatives of stepping up "propaganda broadcasting" aimed at fueling cross-border tensions and undermining the DPRK. It cites North Korea Reform Radio, Open Radio for North Korea and several Christian evangelical programs.

March 17, 2008: *Rodong Sinmun* warns that inter-Korean ties may become strained if the South keeps trying to reinforce its alliance with "foreign forces." It calls this "grave criminal moves" and "treacherous acts."

March 17, 2008: For the first time, Southern tourists visiting Mt. Kungang may take their own cars. A convoy of 15 drives across the DMZ; 20 per day are allowed, with a 30 mph speed limit. Once arrived, visitors must use Hyundai's tour buses within the zone.

March 19, 2008: A 159-strong Southern business delegation flies to Pyongyang by special plane direct from Seoul, for a 4-day trip to inspect industrial plant and explore investment opportunities. Acheon Global, which arranged the tour, is run by Kim Yoon-kyu, whose ouster in 2005 as vice chairman of Hyundai Asan caused a major rift with Pyongyang.

March 26, 2008: President Lee renews his call to the North to scrap its nuclear weapons, citing a 1991 inter-Korean denuclearization accord. He also urges Pyongyang to be more serious about resolving POW and abductee issues, but says humanitarian aid will continue, as will the Mt. Kungang and Kaesong projects.

March 26, 2008: The new nominee to head the ROK Joint Chiefs of Staff, Gen. Kim Tae-young, tells a parliamentary hearing that the DPRK has enough plutonium to build six to seven nuclear weapons, but says there is no confirmation that it has done so.

March 26, 2008: Breaking with the previous administration's policy, South Korea says it will vote for a UN resolution criticizing North Korean human rights abuses.

March 26, 2008: The soccer world cup qualifying match between the two Koreas, moved to Shanghai, ends in a goalless draw. They will meet again in Seoul in June.

March 27-28, 2008: The two Koreas meet at Panmunjom to discuss energy aid to the DPRK in the context of the Six-Party Talks.

March 27, 2008: 11 ROK government officials leave the Kaesong Industrial Zone (KIZ) in the small hours (around 1 a.m.) at the North's insistence, three days after being given notice to quit. No force is used, and business at the KIZ otherwise continues as normal. The South says this is regrettable, and that it will not offer anything to appease the North.

March 28, 2008: The Korean People's Army (KPA) navy command accuses ROK warships of violating DPRK waters in the West (Yellow) Sea, vowing to "mercilessly wipe out the provocateurs." The KPA tests several short-range sea-to-sea missiles off the port of Nampo.

March 29, 2008: According to the DPRK's *Uriminzokkiri* website, the Pyongyang weekly *Tongil Sinbo* criticizes Lee Myung-bak's controversial plan to build a 450 km.-long grand canal as "no doubt an act of madness" serving no practical purpose.

March 29, 2008: The DPRK Foreign Ministry attacks the EU and Japan for sponsoring the annual resolution at the UN Human Rights Council condemning North Korea's human rights violations, but does not mention that South Korea voted for the resolution, having in the past mostly abstained.

March 29, 2008: The KPA claims that the new chairman of the ROK Joint Chiefs of Staff had threatened a preemptive strike against DPRK nuclear sites. Calling this "little short of a war declaration," the KPA says it would ban all South Korean officials from crossing the DMZ.

March 30, 2008: The KPA further threatens to preempt any Southern preemption, and thus "not merely plunge everything into flames but reduce it to ashes." It warns that all inter-Korean dialogue will be suspended unless the South retracts and apologizes.

March 31, 2008: *Chosun Ilbo* reports that KPA *MiG-21* and other fighter jets have made 10 sorties near the DMZ since President Lee's inauguration on Feb. 25. These and other KPA winter drills are up 50 percent this year.

April 1, 2008: Finally breaking North Korea's silence on the South's new leader, a lengthy commentary in *Rodong Sinmun* attacks Lee Myung-bak as "a vicious political charlatan and imposter" and a pro-U.S. sycophant for subordinating inter-Korean ties to wider diplomacy and linking this to denuclearization and human rights. It names Lee 49 times, in the first direct insult of an ROK leader since 2000.

April 1, 2008: North Korea cancels two planned Southern visits to Kaesong. Acheon Corp., a church and an NGO were due to send 500 people to plant trees on Arbor Day, April 5. On April 10, 200 Gyeonggi province officials were set to visit, but the North said Gyeonggi governor Kim Moon-su – a GNP member – was not welcome, in effect aborting the trip.

April 2-3, 2008: A 6-strong Southern civic delegation visits Mt. Kumgang to discuss events to mark the June 2000 joint declaration. The North warns that this event's success depends on both sides' attitude.

April 3, 2008: The head of the DPRK delegation to inter-Korean general-level military talks warns ROK military authorities that the North will take "prompt corresponding military countermeasures." He dismisses the South's reply as "nothing but an excuse" in relation to earlier "outbursts let loose" by the chairman of the ROK Joint Chiefs of Staff.

April 3, 2008: The KPA Navy Command assails ROK "warmongers" for "perpetrating a serious military provocation" in the West (Yellow) Sea. The ROK navy retorts that its three patrol boats were south of the Northern Limit Line (NLL) and were there to stop Chinese fishing boats in Northern waters from crossing.

April 3, 2008: The North's DFRF accuses "South Korea's conservative regime" of "driving north-south relations to confrontation and catastrophe, blatantly swimming against the trend of the era of independence, reunification, peace and prosperity."

April 4-5, 2008: In a lengthy article, *Uriminzokkiri* calls Lee a traitor. It urges all Koreans to "step up their struggle against [his] anti-tribal and anti-unification scheme".

April 5, 2008: *Rodong Sinmun* attacks "pro-U.S. conservative ruling forces in south Korea hell-bent on dependence on foreign forces and confrontation with fellow countrymen."

April 5, 2008: Kim Yong-dae, presidium vice chairman of the Supreme People's Assembly (SPA, the North's rubber-stamp parliament), urges South Korea's new administration to adhere to past inter-Korean agreements and their spirit, and not to raise tensions.

April 5-7, 2008: *KCNA* reports undated visits by Kim Jong-il to different KPA bases on three successive days, and again on April 9. On April 7, it quotes Kim as saying the KPA could "beat back the enemy's invasion at a single stroke."

April 7, 2008: *Rodong Sinmun* criticizes the ROK for "following the U.S. imperialists". It warns that those who "dance to the whistle of outside forces will only suffer a collapse."

April 7, 2008: ROK unification minister Kim Ha-joong says Seoul will not riposte but wait until Pyongyang's misunderstanding eases, adding: "Our position toward mutual respect and co-prosperity between the two Koreas remains firm."

April 7, 2008: Senior Southern sports officials say plans to field joint inter-Korean athletic and cheering squads at the Beijing Olympics in August are stalled. They have been rebuffed twice by Northern counterparts when they tried to raise the matter recently.

April 7, 2008: The leftish Seoul daily *Hankyoreh* reports that North Korea has asked China for massive rice aid, having decided not to request this or fertilizer from South Korea unless Seoul moves to improve ties. Beijing has yet to respond.

April 7, 2008: In a telephone conversation with outgoing Russian president Vladimir Putin, President Lee reportedly seeks continued efforts to link the trans-Korean and trans-Siberian railways as well as other tripartite cooperation projects involving North Korea.

April 8, 2008: The South's Defense Ministry (MND) officially renames a June 2002 marine firefight as the "Second Yeonpyeong Sea Battle"; saying its previous name, "Exchange of Fire in the West Sea," did not reflect its significance. The government rather than their military units will henceforth host the memorial service for the six ROK sailors killed.

April 8, 2008: *Minju Joson*, daily paper of the DPRK Cabinet, attacks Seoul media claims that recent Northern criticism of Lee Myung-bak was intended to influence ROK national assembly elections as "a sophism for distorting truth."

April 9, 2008: The GNP narrowly wins control of the National Assembly, taking 153 out of 299 seats in South Korea's parliamentary election. The GNP victory is less overwhelming than in December's presidential election. Two other conservative groups also do well.

April 10, 2008: North Korea expels a Southern procurement supervisor from a construction site at Mt. Kumgang, where the South is building a \$60 million family reunion center. Later that day the North also blocks another ROK procurement official from entering the zone.

April 11, 2008: The *Korea Herald* quotes as unnamed ROK official as saying that on April 8 two KPA fighter jets flew within 10 km of the Military Demarcation Line (MDL). This is the closest DPRK aircraft have flown to the inter-Korean border in recent years.