

North Korea – South Korea Relations: The Real Deal?

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After the relative lull of the previous two quarters, spring brought new growth to inter-Korean relations, with a spate of meetings in many fields. In particular, South Korea finally obtained its long-sought goal of direct North-South military talks at general level, who in turn swiftly agreed to communications steps to prevent naval clashes like those of 1999 and 2002. In a highly symbolic move, on June 15 – the fourth anniversary of the June 2000 Pyongyang summit – each side turned off its propaganda loudspeakers, terminating decades of noise pollution across the Demilitarized Zone (DMZ).

Multilaterally too, Seoul played a key role in the latest, and most hopeful so far, six-party nuclear talks in Beijing. For the first time, the U.S. presented a detailed and phased plan, including incentives for Pyongyang – based on a South Korean draft. Yet many obstacles remain on this front. Bilaterally too, while North-South progress looks encouraging, the exact mix of symbolism and substance in this process remains arguable. Nonetheless Seoul seems set on sticking with Sunshine, whatever might transpire on other fronts.

Talks are Now Institutionalized

Four years after the June 2000 Pyongyang summit, itself much celebrated this quarter, a pattern in Peninsula relations is emerging. Especially in the past two years, since North Korea abandoned its perverse practice of cancelling inter-Korean meetings to signal its displeasure with the U.S., North-South dialogue has become relatively institutionalized or even routinized. By and large, each quarter brings ministerial talks (the highest level of normal dialogue) and a meeting on economic exchange and cooperation; these alternate between Seoul and Pyongyang. In addition there are usually several lower-level working talks on detailed matters, like cross-border road and rail links or the planned Kaesong industrial zone. These are often held near the border – at Kaesong or the Mt. Kumgang resort in the North, Paju or Mt. Sorak in the South – with the other side crossing the DMZ to participate: a prospect unimaginable until recently. There is usually one family reunion per quarter at Mt. Kumgang, arranged by the two sides' Red Cross bodies. Also, Southern delegations of various kinds – academic, civic, aid-giving – now regularly visit the North, but are rarely able to cross the border directly. Traffic in the other direction is much less.

The Nuclear Shadow

Those (especially in Washington, but some in Seoul too) who look askance at all this new bonhomie have two fears: in general, mistrust of Kim Jong-il, and in particular, the still unresolved nuclear crisis. The Sunshine riposte – now rebranded as the “policy for peace and prosperity” under President Roh Moo-hyun, who has bounced back from the attempt to impeach him and is now buoyed since April’s elections by the parliamentary majority that eluded his predecessor Kim Dae-jung – has several strands. First, inter-Korean ties are a special case, due to national division. Second, South Korea is best placed to lure the North out of its shell. Third, far from being soft on nukes, Seoul takes every opportunity to harangue Pyongyang on this issue (while wishing the U.S. would meet them halfway).

Indeed, the 14th ministerial talks, held in Pyongyang on May 4-7, were reportedly much taken up by such arguments. They almost broke up without agreement, except to meet again in August. The ROK team, headed by Unification Minister Jeong Se-hyun, got no joy on its idea that each side establish permanent liaison offices in each other’s capitals. He faced a new counterpart: Kwon Ho-ung, in his 40s, is younger than Kim Ryong-song whom he replaces, but like him bears the rather opaque title of “Cabinet councillor.”

Seoul Stands its Ground

A longstanding major goal in South Korea’s *Nordpolitik* is to hold inter-Korean military talks, regularly and at senior level. This reflects both a recognition that other cooperation is vulnerable, if not meaningless, while both states remain officially at war and tensions persist, and suspicion that Pyongyang still regards the U.S. as its sole proper counterpart for serious security discussions, implying that Seoul is a mere puppet. A more immediate aim is to prevent any more fatal naval clashes like those in 1999 and 2002, after DPRK crab fishing boats crossed the Northern Limit Line (NLL) in the Yellow (West) Sea.

Nominally, North Korea accepted the South’s demand for bilateral military talks already at the 13th ministerial meeting back in February – but nothing happened. In May, Seoul pressed again, while Pyongyang riposted by reverting to its hoary old demand for an end to joint ROK-U.S. military exercises. The South stood its ground through four gruelling days, and was ready to leave empty-handed. At the last minute, in an unscheduled extra session, Kwon informed Jeong that “our military have agreed” to security talks. (Some reports suggest this was an 11th-hour change of heart by Kim Jong-il personally.)

Peace in our Time?

At all events, thereafter matters moved swiftly. The first ever general-level inter-Korean military talks were held at Mt. Kumgang on May 26. In view of its mainly maritime initial agenda, South Korea was represented by a navy man, Commodore Pak Jong-hwa; his Northern counterpart was a Korean People’s Army (KPA) major general, An Ik-san.

By normal inter-Korean standards, the two military men did brisk business. After this first one-day meeting, a return match was held a week later over two days at a Southern

resort near the border, Mt. Sorak (in the same mountain range as Mt. Kumgang). This duly produced the deal Seoul had sought. The North agreed to regular naval contacts, via a military hotline and a shared radio frequency, ostensibly to monitor Chinese fishing boats intruding on Korean waters. (Because North Korea officially does not recognize the NLL, the UN-imposed de facto sea border for the past half-century since the 1953 Armistice, one would not expect inter-Korean cross-border intrusions to be formally mentioned; but a hotline is a hotline, and the two sides have agreed not to square up to each other.)

Since then, with the crab season well under way, peace has held. But it has not all been plain sailing. On the very day the agreement was signed, the North's *Korean Central News Agency* (KCNA) accused ROK ships of violating DPRK waters, reaffirmed non-recognition of the NLL, and warned the South not to "run riot." Thereafter Pyongyang mostly failed to pick up the phone, answering only three of 14 of Seoul's daily calls. On June 30, when a small Northern fishing boat crossed the NLL (blaming fog), the ROK Navy tried three times to contact their KPA counterparts, but got no reply. So they gave the trespassers a compass, and escorted them safely back to their side. It could be worse.

Speakers are Silenced

In return for Seoul's naval deal, Pyongyang demanded an end to the war of words at the DMZ. For decades each side has blasted propaganda at the other all along the front, but at midnight on June 15, as agreed, the speakers fell silent. Their parting messages showed the gulf that still remains. The North declared that "from June 15 all kinds of propaganda activities within the DMZ area are being stopped, which is entirely the shining result of General Kim Jong-il's great unification ideology and guidance." The South just said: "We believe ... that we have faithfully served you who work near the Military Demarcation Line in our effort to open you up to the outside world by broadcasting various useful information and delightful music since we launched our program in 1962."

The next step, which has already begun, is to dismantle the whole apparatus of speakers and signboards by Aug. 15, a holiday in both Koreas, marking liberation from Japanese rule in 1945. While nobody mourns the raucous din at the DMZ, one may regret the end of the news reports – far less propagandist, latterly, than in the high Cold War era – with which South Korea had sought to lighten the North's darkness. There are also some nasty side-effects. Pyongyang specifically sought the closure of a new internet radio station in Seoul, run on a shoestring by ex-DPRK defectors for an hour a day. Seoul did not yield, but "Free NK" has suffered both verbal and physical threats, and faces eviction. Yet few South Koreans seem perturbed by this. Though the ROK is now ruled by those who boast of their own struggle against dictatorship in the 1980s, it would appear that free speech must be sacrificed to inter-regime amity on the Peninsula. Is the game worth the candle?

Six-Party Talks: the U.S. Picks up a Seoul Ball, at last

Multilaterally, the six-party process plods on. A third round of full-dress talks was held in Beijing on June 23-26, preceded by working groups (which also met, to no visible effect, on May 12-15). Defying pessimistic prior expectations, the U.S. for the first time tendered a detailed seven-page phased proposal for North Korean nuclear disarmament, including incentives such as energy aid starting with the first phase. While the full plan was not published, it was said to be based on an ROK draft. South Korea, like China, Russia, and latterly even Japan, had pressed the U.S. to go beyond its usual mantra of simply demanding CVID (complete, verifiable, irreversible dismantlement of nuclear programs).

While large gaps remain, North Korea – which also tabled its own proposals, typically demanding to get much before giving little – did not reject this out of hand. During the four-day meeting the chief ROK delegate, Lee Soo-hyuck, had several unofficial talks with his DPRK equivalent, Kim Kye-gwan, including over dinner. They seemed to hit it off. According to Lee, Kim thanked him for his efforts, “even pressing my hands hard.” In Washington, any gratitude (if only at State) for such mediation is tempered by a sense that Seoul has its own agenda, which it will pursue even absent serious nuclear progress.

Business Beckons

National sentiment aside, at least part of that agenda is economic. With China snapping at its heels as a competitor, South Korea is keen to fight back using cheap Northern labor. Even Bank of Korea (BOK) Gov. Park Seung – a man, like most of his ilk, not given to sentimentality – now calls for North Korea to open to Southern firms as a matter of urgency. Hitherto a suspicious Pyongyang has been painfully slow to respond.

Hence the ninth meeting of the North-South Committee for the Promotion of Economic Cooperation, held in Pyongyang from June 2-5, saw Seoul pressing for faster progress. A seven-point statement agreed to open the pilot phase of the Kaesong Industrial Zone (KIZ) – the key project – this year, using electricity and telecoms from the ROK; a management office for KIZ will also be set up. Cross-border links are vital for this project: two trans-DMZ roads are to due open in October (subject to military guarantee), as are trial train runs, with full rail service to follow next year. Similar deadlines have slipped before.

As ever, there was not a little reiteration of matters already agreed on paper previously. An economic cooperation office should open “as soon as possible,” and a sea transport agreement, already signed and exchanged, should be implemented. No such delay for aid: as in the past, South Korea gave the North 400,000 tons of rice, supposedly as a loan.

Full Steam Ahead?

The maritime agreement shows the snail's pace of progress. Adopted back in September 2001, with four rounds of working talks since then, this classifies inter-Korean sea routes as domestic, opens seven new ports on each side to the other's ships, and pledges equal treatment for each others' vessels plus cooperation in case of accidents. Once effected, it will create a legal framework for direct sea trade, instead of depending on third-country-flagged ships as hitherto. Yet this still awaits ratification by each side's Parliament. Why?

Tragedy Breeds Charity

The huge railway explosion on April 22 at Ryongchon, near the DPRK-China border, led through tragedy – the official death toll was 154, plus 1,300 injured – to some progress in North Korea's opening to the wider world, including South Korea. Seoul at once offered to send an aid convoy, but Pyongyang rejected this, insisting that ROK relief goods come by sea. The first boat did not reach Nampo until April 29. But a day later the DPRK let an ROK cargo plane fly in with 70 tons of aid, in the first ever inter-Korean direct flight for humanitarian purposes. Not until May 7 did they permit an overland convoy, which had to unload just across the border in Kaesong. By this stage, the cargo was equipment and materials to rebuild schools and other destroyed facilities. (In June, a visiting ROK Red Cross delegation photographed a large gleaming yellow Hyundai excavator amid the ruins, watched by North Koreans wielding only shovels.) Useful as this is, Pyongyang's initial delay meant that the chance to save burn victims – for whom time is crucial – was lost.

Summit Anniversary: Time to Reflect

June 15, the fourth anniversary of 2000's first ever North-South summit in Pyongyang, was duly celebrated on either side of the DMZ. It suits both regimes to treat this as the start of détente, even though that elides a whole long history of earlier efforts, similarly hailed in their day as breakthroughs: 1972's joint statement and subsequent Red Cross talks; 1984's flood aid (from North to South), ushering in political and economic talks; and above all, the 1990-92 premiers' meetings that led to accords on wide cooperation and denuclearization, neither ever implemented (last year Pyongyang formally repudiated the latter). However one evaluates the admittedly unprecedented progress made since the 2000 summit, no serious reckoning can simply suppress this earlier history of false starts.

Might Kim Jong-il Visit, at last?

To mark this anniversary, a rare senior Northern emissary visited Seoul in mid-June. Ri Jong-hyok's obscure title – vice chairman of the Asia-Pacific Peace Committee (APPC) – belies his role as a key confidant of Kim Jong-il. Since the death last year of the APPC's chairman, the veteran diplomat Kim Yong-sun, Ri looks to have succeeded Kim as North Korea's point man on relations with the South. A former head of DPRK missions in Paris (UNESCO) and Rome (FAO), fluent in French and German, Ri is one of Pyongyang's most effective and urbane envoys. (This writer met him several times in Europe in the 1980s.)

In Seoul, Ri met President Roh Moo-hyun as well as Kim Dae-jung. He carried a personal message from Kim Jong-il, prompting speculation that the “Dear Leader” may at last fulfil his promised but long-delayed return visit southward – as South Korea’s ruling Uri Party appealed to him to do on July 1. What the U.S. would think of that, with the nuclear issue still unsettled, is unclear, but it would no doubt be pitched as a mediation effort by Seoul. In any case, so far this remains mere rumor.

Keeping Score

South Korea’s Unification Ministry used the fourth anniversary of the summit to sum up and quantify progress since then. Including the summit, the past four years have seen 111 official inter-Korean meetings: 47 economic, 27 military (but usually about cross-border road and rail links), 19 political, and 18 “humanitarian and athletic.” Visitors from South to North – excluding Hyundai’s tours to Mt. Kumgang, which have taken some 680,000 visitors since 1998 – have more than doubled, from 7,280 in 2000 to 15,280 in 2003. Traffic in the other direction has been smaller, predictably, and more zig-zag: plunging from 706 in 2000 to 191 in 2001, jumping to 1,052 in 2002, then back to 1,023 last year.

It is not clear if the above figures include the nine rounds of brief reunions of separated families, initially held in Seoul and Pyongyang, until North Korea insisted they all take place at Mt. Kumgang. Participants so far from both sides have totalled 9,020, and again progress has been erratic: 2,394 met in 2000, 1,242 in 2001, 1,724 in 2002, 2,691 in 2003 and only 969 so far in 2004. At this rate, most of the elderly involved will never meet their kin; out of 120,000-odd South Koreans who first applied, 20,000 have since died.

Inter-Korean trade has risen too, eventually. From \$578 million in 2000 it in fact fell for the next two years, before rising to \$724 million in 2003. This year, January-May’s total of \$256 million is up 22 percent on 2003. Vital to Pyongyang (especially as much is really aid, not trade), this is peanuts to Seoul, and tiny by today’s regional standards; contrast the huge flows between China and Taiwan, whose trade began at the same time in the 1980s.

Reunions: Postponed to Punish?

Unusually, the past quarter saw no reunions of separated families. In May, the Unification Ministry website predicted that a 10th round of these would be held around June 15, to mark the summit anniversary; but none transpired. (This has since been fixed for July.)

Maybe Pyongyang was punishing Seoul for a gaffe at the last round, held from March 29 through April 3. On April 1, a junior ROK official, on his first visit to the North, joked to a Northern counterpart that one of the giant slogans carved into the rock at Mt. Kumgang, which referred to Kim Jong-il as “a great commander sent from heaven,” could also if in Chinese characters imply that the “Dear Leader” was illegitimate. Thus might one banter in Seoul, but no one had briefed young Mr. Lee about the risks of *lèse-majesté* in the

North – even on April Fool’s day. The North immediately suspended the reunions, resuming only for a brief two hours on April 3, the final day, after Seoul sent a written apology.

Pro-Am Switch at Unification Ministry

While amateurism in the ranks is undesirable, at the top it is surely unthinkable. And yet, as the quarter ended, South Korea changed its unification minister. Jeong Se-hyun, whose whole career was in this field, was the sole ministerial survivor from the Kim Dae-jung administration. By any standards he has done a sound job. Yet he was ousted in favor of a parvenu, albeit an important and ambitious one. Chung Dong-young used to chair the ruling Uri Party; he was a TV anchor before entering politics, and is seen as a presidential contender in 2007. President Roh’s June 30 mini-reshuffle replaced two other ministers too; the main aim seemingly to promote Uri grandees. Having a key Roh confidant in this post is meant to impress Pyongyang, but Jeong’s experience and expertise will be missed. (At a lunch in the U.S. just before his promotion, Chung reportedly denied that the DPRK has a nuclear weapons program, and looked blank at mention of the 1991 North-South denuclearization accord. This is the kind of thing that rings alarm bells in Washington.)

Kaesong Zone: Ground Broken, Again

Also on June 30, yet another ground-breaking was held for the Kaesong Industrial Zone (KIZ). 350 dignitaries from both sides took part. This time, the ceremony was to launch the first phase of the project: a mini-complex of 92,400 square meters, due for completion in November. This will house 15 small ROK firms, employing 5,000 DPRK workers at a monthly wage of \$50 plus \$7.50 welfare costs, and undercutting China. The main first phase of the KIZ, covering 2.31 million sq. m, is scheduled to open at the end of 2006. Much is riding on this, as small ROK firms in particular seek an alternative to shifting to China.

Yet much remains to be done at Kaesong. An investment pact is needed to dispel worries, including over security. Free entry and exit have yet to be guaranteed. Above all, much of the infrastructure – transport, power, and communications – has yet to be built. As a new round of working talks on cross-border road and rail links began at Mt. Kumgang on June 30, it was noted that after four years (and much ROK aid) the Northern side of these links remains incomplete, while the South’s is ready to go. The October deadline will be a test of how serious Pyongyang truly is about inter-Korean business and other cooperation.

Marching as One

Talks in Beijing between the two Koreas’ Olympic committees, which Seoul called “a huge success in a very friendly mood,” agreed on June 24 that in the opening ceremony for the Athens Olympics on Aug. 13, the two Koreas will march together, behind a flag of the Peninsula and to the strains of the folksong “Arirang” instead of their own national anthems. They did all this at Sydney in 2000 and at subsequent sports meetings in Pusan and Taegu, plus Aomori in Japan. This time, however, the full teams – some 400 from the

ROK and 70 from the DPRK – will participate. In Sydney, numbers were equal, excluding most of the Southern athletes – which did not improve warm compatriotic sentiments.

Such symbolism is easy. More challenging would be to compete as a single team, which is said to be under discussion for the 2008 Beijing games. Yet it already happened over a decade ago, at two events in 1991: the world youth soccer championships in Portugal, and the world table tennis championships in Japan – where a pair from North and South won the women’s doubles. Even in relatively uncontentious areas like sport, inter-Korean progress is not merely plodding but is often a case of one step forward, two steps back.

A Flurry of Diplomacy

On July 1 the two Koreas’ foreign ministers met at the ASEAN Regional Forum (ARF) in Jakarta. As on a previous such meeting at the ARF in 2000, they issued a joint statement: pledging support for the UN, the six-party process, the June 15, 2000 joint declaration and other worthy causes. Reportedly, the ROK’s Ban Ki-moon also passed the DPRK’s Paek Nam-sun an invitation for Kim Jong-il to attend the Asia-Pacific Economic Cooperation (APEC) summit, to be held in Pusan in November 2005. Ban proposed too that the two Koreas install a permanent channel for direct diplomatic dialogue, beyond the existing hotline at the Unification Ministry. Paek’s response is not known: his is a decorative role, the heavy hitters being his nominal deputies, vice ministers Kang Sok-ju (who negotiated the 1994 U.S.-DPRK Agreed Framework) and Kim Kye-gwan (chief delegate to the six-party talks).

Even fixing this tête-à-tête between Ban and Paek had to be done indirectly, via UN and Indonesian channels. Paek went on to meet briefly over coffee with the U.S. Secretary of State Colin Powell; again, they had met thus at a previous ARF session. After the ARF, Russian Foreign Minister Sergei Lavrov flew to Seoul for talks with President Roh, then on to Pyongyang where he was expected to meet Kim Jong-il. There was speculation in Seoul that he may have a message for the “Dear Leader”, although surely these days the two Koreas have sufficient channels for direct contact to no longer need foreign go-betweens.

The GNP Ventures North

Back in 1985, in one of several earlier rounds of inter-Korean dialogue now consigned in Seoul to prehistory, there were contacts to arrange mutual visits by parliamentarians. This kind of political exchange is one dimension oddly absent from the otherwise multilayered post-2000 mix. On June 30, the floor leader of South Korea’s ruling Uri Party suggested a bipartisan trip to Pyongyang by leaders of Uri and the conservative Grand National Party (GNP), the main opposition, which could lead to a North-South parliamentary meeting.

But the GNP is not waiting for Uri's say-so. On July 2, 29 of its 121 assembly members headed North for the weekend: not to Pyongyang but Mt. Kumgang, where they planned to commemorate the July 4, 1972 Declaration, the first ever inter-Korean joint statement, now largely ignored. They had hoped to meet DPRK officials, but Pyongyang – which regularly blasts the GNP as traitors – declined. The new mood in Seoul puts the GNP in a quandary: to the young in particular, anticommunism is just so last century. Some think the party must adapt, but diehards resist this. The GNP's leader, Park Geun-hye, has it both ways: the daughter of dictator Park Chung-hee, president from 1961 to 1979, she has also – unlike President Roh – visited Pyongyang and dined *à deux* with Kim Jong-il.

Party on

Meanwhile at Mt. Kumgang, the GNP group joined a 1,000-strong party to celebrate the opening of a hotel refurbished by Hyundai. For the first time North Korea now allows its citizens to work there; hitherto Hyundai had to hire Chinese-Koreans. After five years of losses, business is picking up: over 65,000 visited in January-May this year, compared to 77,683 for the whole of 2003. The Mt. Kumgang beach now has powerboats, water skiing, and jet skiing, while the hotel will soon offer karaoke, a night club, and massage. Its Hyundai manager noted how much more relaxed the North has become. Hyundai Asan's president Kim Yoon-gyu lauded all this as “not simply a leisure business but a platform for increased economic exchanges and trust between the two Koreas.”

One of the GNP visitors, Rep. Jeon Jae-hee, added that “we remain watchful on security issues, but we believe that strengthened economic ties and a greater exchange of people between the two sides are essential to make the nation a major economic force in North-east Asia.” For the GNP's youngest lawmaker, 33-year old Kim Hee-jung, “We belong to the generation of reunification, not that of confrontation.” Such, in 2004, are the voices of South Korea's conservative opposition, decried by the “progressive” government as out of date and hardline on the North. As a great prophet said: the times they are a changin'.

Chronology of North Korea - South Korea Relations* **April-June 2004**

April 1, 2004: North Korea denounces Seoul court's conviction of South Korean officials involved in the illegal transfer of money to Pyongyang before the June 2000 summit.

April 1, 2004: North suspends the ninth family reunions at Mt. Kumgang after a Southern official makes a joke about Kim Jong-il. They resume briefly April 3 after Seoul apologizes.

* The author is deeply grateful to those whose chronologies he has liberally plundered to construct this one, especially Tom Tobback's indispensable www.pyongyangsquare.com. Unfortunately the ROK Ministry of Unification (www.unikorea.go.kr) seems not to have updated its useful “Chronicles” lately.

April 6, 2004: ROK Unification Ministry proposes to resume inter-Korean talks in Kaesong. The North had postponed these to protest joint U.S.-ROK military exercises.

April 7, 2004: Hyundai Asan and the parastatal Korea Land Corp. (Koland), co-developers of the Kaesong Industrial Zone, say that the DPRK and ROK have agreed a lease price of \$16 million for the zone's 3.3 sq. kilometers. This includes the cost of demolishing existing facilities.

April 8-10, 2004: The two Koreas agree in Kaesong on trans-DMZ train operations. The 16-clause agreement includes details on operation schedule, wireless communications, and more.

April 14, 2004: Seoul says some 1,600 ROK firms have applied for the first phase of the Kaesong Industrial Zone. There will be room only for 250.

April 15, 2004: UN Human Rights Commission in Geneva passes EU-sponsored resolution on DPRK human rights 28 to 8. South Korea and 15 other countries abstain.

April 15, 2004: Parliamentary elections in South Korea give a narrow majority to new center-left Uri Party, which backs impeached President Roh. Pyongyang hails result.

April 20, 2004: South Korea says it will deliver electricity for the Kaesong Industrial Zone across the DMZ. At a later stage it plans to build a sub-station at Kaesong, with safeguards to prevent the North from diverting power elsewhere.

April 20, 2004: Hyundai Asan president Kim Yoon-kyu says Kim Jong-il wants to build a DPRK Silicon Valley at Mt. Kumgang, hitherto a tourist resort.

April 20-22, 2004: Working-level economic talks, which were suspended by the DPRK, resume in the ROK city of Paju. The agenda includes accounts settlement procedures.

April 21, 2004: ROK Bank of Korea (BOK) values the DPRK's industrial plant in 2000 at 19 trillion Southern won (\$16.45 billion): less than 1 percent of South Korea's. The technology gap varies from 10 years in non-ferrous metals to 30 years in autos and textiles.

April 22, 2004: Huge explosion at Ryongchon, a railway junction near the DPRK-China border. 154 are killed and some 1,300 injured. South Korea offers aid.

April 26, 2004: The ROK Red Cross says the DPRK rejected its offer to send rapid relief goods for Ryongchon overland via the DMZ, insisting instead that they be shipped. The first such ship reaches Nampo on April 29.

April 30, 2004: ROK cargo plane flies to Pyongyang with 70 tons of emergency aid for Ryongchon. This is the first ever inter-Korean direct flight for humanitarian purposes.

May 4-7, 2004: 14th inter-Korean ministerial meeting held in Pyongyang. The sole item agreed is to hold direct military talks, a key ROK demand, and to meet again in August.

May 7, 2004: North Korea finally allows a South Korean aid convoy to cross the DMZ by land. Its cargo of school supplies is handed over to the North in Kaesong.

May 12, 2004: An internet radio station in Seoul critical of the DPRK, run by Northern refugees, reportedly risks eviction after verbal and physical threats accusing its staff of being “unpatriotic.”

May 12-15, 2004: Six-party working group meetings held in Beijing.

May 14, 2004: South Korea’s Constitutional Court dismisses the National Assembly’s motion to impeach President Roh, so reinstating him with immediate effect.

May 21, 2004: The ROK Unification Ministry says the Mt. Kumgang tours made a slight profit in March and April, for the first time ever, as tourist numbers increased to around 16,000 per month.

May 25, 2004: On Buddha’s birthday, South Korea amnesties six of those convicted last year of sending secret payments to Pyongyang before the June 2000 summit.

May 25-31, 2004: Hyundai Asan hosts DPRK economic officials on a trip to special economic zones in Shanghai and Shenzhen, to learn lessons for the soon to open Kaesong Industrial Zone.

May 26, 2004: The first ever inter-Korean general-level military talks are held at Mt. Kumgang. The ROK proposes naval liaison, to avoid clashes; the DPRK calls for an end to propaganda.

May 29, 2004: North Korea announces six extra sets of regulations for the Mt. Kumgang tourist zone, bringing the total to eight. The latest rules cover foreign currency, labor, and advertising. An earlier set dealt with entry, residence and exit procedures, customs, and zone management.

May 31, 2004: Korea Trade-Investment Promotion Agency, the ROK’s trade and investment promotion agency, reports that a Seoul businessman has set up an e-commerce site, NK Mall, to sell DPRK farm produce in South Korea.

June 4, 2004: A second round of senior military talks held at the ROK’s Mt. Sorak; parties agree on steps to avoid sea clashes, including a hotline. They also agree that cross-border propaganda at the DMZ will cease, with all loudspeakers and signboards to be dismantled by Aug. 15. Separately, on June 3 both Korean navies trade accusations of intruding in each others’ waters.

June 3-5, 2004: Ninth inter-Korean economic talks are held in Pyongyang. Agreements include to press on with cross-border roads and make test runs on two trans-DMZ railways in October; to set up a joint agency to run the Kaesong Industrial Park, headed by a South Korean; and for Seoul to “lend” 400,000 tons of rice. A maritime agreement is also signed, but has still to be ratified.

June 4, 2004: South Korean construction company imports 1,000 tons of sand from the North by truck across the DMZ, the first time any imports have been allowed overland.

June 5, 2004: Koland selects the first 15 firms to set up in Kaesong Industrial Zone. They include a watchmaker, an apparel firm, and a kitchen and bath fixture manufacturer. Criteria for selection included financial soundness, labor-intensivity, and small scale.

June 8, 2004: The two Koreas’ Red Cross bodies agree to hold 10th round of family reunions July 11-16.

June 10-12, 2004: Working-level military talks on the recent agreement are held at Kaesong.

June 14, 2004: The ROK and DPRK navies communicate by wireless for the first time since the 1953 Armistice, in five areas near the Northern Limit Line (NLL), using standard international radio frequencies (156.80 and 156.60 MHz).

June 15, 2004: Propaganda loudspeakers on both sides of DMZ are switched off, as agreed.

June 15, 2004: A 7-member DPRK delegation visits Seoul for the fourth anniversary of the June 2000 Pyongyang summit. Its head, Ri Jong-hyok, brings a message to President Roh from Kim Jong-il, prompting rumors that he may visit Seoul. A large-scale “Meeting of our Nation” is held in the ROK port of Incheon, uniting civic groups from both Koreas.

June 15, 2004: For the first time, the ROK and DPRK navies share information about Chinese vessels fishing illegally in Korean waters in the West Sea (Yellow Sea).

June 23-24: Meeting in Beijing, ROK, and DPRK Olympic committees agree that both sides’ athletes will march together, with a neutral flag and anthem, at the opening ceremony for the Athens Olympics in August; but they will compete separately. All this is as per Sydney in 2000.

June 23-26, 2004: A third round of full six-party talks on the North Korean nuclear issue is held in Beijing, preceded by working talks on June 21-22.

June 24-25, 2004: A second-round working-level consultative meeting on construction of the Kaesong Industrial Zone is held in Kaesong in the DPRK. At the same time, a meeting of the two sides’ foreign trade banks initials an agreement on clearing payments.

June 26, 2004: Both Koreas' central bank chiefs, Park Seung (ROK) and Kim Wan-soo (DPRK), meet for the first time in Basel at the Bank for International Settlements (BIS) annual assembly. Park had urged the BIS to invite North Korea to this meeting.

June 30, 2004: A ground-breaking ceremony is held at the Kaesong Industrial Zone for the first pilot phase of the project. 350 dignitaries from both sides attend.

June 30, 2004: In a mini-reshuffle in Seoul, Chung Dong-young, ex-head of ruling Uri Party, is appointed unification minister, replacing Jeong Se-hyun who has held the post for two years.

June 30, 2004: The floor leader of South Korea's ruling Uri Party suggests a bipartisan visit to Pyongyang by leaders of Uri and Grand National Party (GNP), the conservative main opposition, which could lead to a North-South parliamentary meeting.

June 30-July 2, 2004: Working talks on road and rail links are held at Mt. Kumgang.