

Pyongyang Report

News and views on DPRK - North Korea

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COMMENTARY

Special note: Because of the pressure of other commitments, this issue of Pyongyang Report ran behind schedule and so is an enlarged one.

The nuclear test by the DPRK has led to a predictable deluge of hype and hypocrisy, amidst a dearth of informed and sensible comment. Politicians, and journalists, have revelled in the situation. North Korea is a convenient whipping boy, with few friends. It tends to be excoriated across the political spectrum. Since it is a small country targeted by the world’s superpower, which, though haemorrhaging and perhaps in relative decline, still possesses such formidable political, economic and military power that no country, or international civil servant for that matter, will openly speak up, even if they so desired. Politicians have hastened to express moral outrage even if, and perhaps especially if, they come from countries which have many nuclear weapons and have conducted tests. Journalists have been having a field day, many delighting in the opportunity to write lurid stories without the encumbrance of having to check facts and qualify opinions. Under the circumstances, it is more necessary than ever before to keep a clear head and try to disentangle fact from fantasy, to unearth what has been going on, and what is likely to happen.

Despite Senator John McCain’s attack on Clinton, it is clear that this particular bomb is very much the godchild of the Bush administration. Without having any illusions about Clinton (or Kim Jong Il), it is useful to remind ourselves what would probably have happened had the Agreed Framework, signed in 1994 between the US and the DPRK, actually been implemented. Had the Bush administration continued with that agreement rather than tearing it up, as with others that Clinton had signed, then things would almost certainly be very different. Had the Light Water Reactors been completed and commissioned, the electricity shortage, which impacts so heavily on industry, agriculture, and on the life of ordinary people, would be much mitigated, and perhaps on the way to a solution. The electricity grid is quite

inadequate, it is said, and there are myriad problems across the economy, including lack of spare parts and oil, worn out machinery, ill-maintained road and rail networks, etc. The LWRs would have been no panacea but, in the context of the rest of the agreement, would have made a crucial contribution to economic recovery. The Agreed Framework also promised that the US would not threaten nuclear attack and would lift sanctions and move towards the normalisation of relations between the two countries. Illusions about Kim Jong Il are not an issue because under the agreement the DPRK front-loaded its concession – the mothballing of the reactor – in return for promises from the US. With every passing day Pyongyang had more reason to press for the agreement’s implementation, and less reason to break it.

Had this plan for peace been carried out, and had the DPRK been able to open its economy, receive foreign investment (and compensation from Japan for the colonial period), and expand its exports, then we can reasonably surmise that the economy would be on the way to recovery and the life of the people greatly improved. Indeed some in the business community consider that if the opportunities promised by the Agreed Framework had eventuated, then the North Korean economy could have taken off, and could still do so.

In particular, this test would not have been carried out and North Korea would not have extracted plutonium from its Yongbyon reactor to build a nuclear deterrent. Had the LWRs been completed, Yongbyon would have been dismantled and shipped out of the country. The DPRK would not have had the capability, nor the reason, to carry out the test of 9 October. Nor, in peaceful circumstances, would it have carried out the missile tests in July.

The Bush administration tore up the Agreed Framework because, it claimed, the DPRK had a secret programme to enrich uranium as a ‘second path’ to nuclear weapons. It has not produced any evidence to back up its allegations, and the Washington Post has noted that ‘intelligence officials said they cannot substantiate... that

Pyongyang is already enriching uranium'. The Chinese have made it clear that they do not believe the charges, and it is significant that the Joint Statement of 19 September 2005 at the Six Party Talks made no mention of uranium, probably at Chinese insistence. The basis of the US accusations seems to be the statements extracted from Pakistan by a combination of bribery and threats ("We will bomb you back to the Stone Age", according to Musharraf). No one can be certain that North Korea does not have, or had, a programme for developing uranium-based weapons. However, given the administration's record over Iraq, and the recent report on Iran that was attacked by UN inspectors as 'outrageous and dishonest', it seems much more likely that the American claim was bogus and designed to destroy Clinton's agreement rather than being based on any real calculation that the DPRK had a meaningful programme.

What happens now? Even if the DPRK does manage to develop a modest deliverable nuclear weapon, and that is probably a long way off, it is not, in itself, the threat that the hype would have us believe. For a small country faced with an adversary of overwhelming superiority, a nuclear weapon could only be used as a last resort, if the US was actually mounting an invasion. The US could use nuclear weapons offensively against a North Korea, or an Iran, but it does not work the other way round. If it had the capability, North Korea could conceivably threaten South Korea, Japan, or ultimately the continental US itself, not as 'blackmail' to extract concessions, as is frequently alleged, but only to deter. Although bluff, pre-emption, or miscalculation, are all possible elements they are overshadowed by the disparity in power. 'First use' would bring overwhelming retaliation. Pyongyang has also said it will not transfer nuclear weapons - 'the DPRK will never use nuclear weapons first but strictly prohibit any threat of nuclear weapons and nuclear transfer' - and this seems plausible. Except, again, if the enemy were at the gates when presumably all constraints might be off.

The real danger arising out of the DPRK test, and the one that gets the Chinese in particular worried, is that it could well provide the stimulus, and excuse, for others to go nuclear - South Korea, Taiwan, but most likely, and most consequential, Japan. Under new Prime Minister Abe Shinzo, Japan is moving, with US encouragement, to scrap its 'Peace Constitution' and become a 'normal country' by completing its remilitarisation. It has a large nuclear power industry, rockets, already an arms budget comparable to that of China and Russia, and a formidable technological base. Japan could quite soon become a major nuclear weapons state, with full-spectrum military capabilities. This in turn would spark an arms race with China.

Here, perhaps, is the clue to what has been happening. Did the administration know when it scrapped the Agreed Framework that the DPRK would end up developing a plutonium bomb? We don't know, but it can be documented that at every stage of the process as the DPRK offered to negotiate away its nuclear programme, the US refused, predictably forcing Pyongyang to take the next step. Similarly, by imposing financial sanctions on Pyongyang on the basis of unsubstantiated allegations of counterfeiting, the US derailed the Six Party Talks after the Chinese-drafted joint statement of 19 September 2005 offered a way to resolve the crisis.

Is the DPRK nuclear weapon an unintended consequence of inept Bush administration policy as many of its opponents argue, or is it the product of intelligent design? To the people who brought us murder and mayhem in the Middle East, a remilitarised and nuclear armed Japan to complement a nuclear India on the other side of China might seem very desirable. Especially if it produced a arms race that would sap the rising economic challenge of China. On top of which, the crisis may well abort President Roh Moo-hyun's plans to regain control of the military from the Americans and might open up the possibility of the Pentagon being able to deploy South Korean, and Japanese, troops in combat to bolster hard-pressed US forces elsewhere in the world. This is not to say, of course, that there was some sort of concerted conspiracy. For one thing, the administration is divided; 'realists' versus 'neocons' is one formulation. Rather it is a matter of the neocons calculating that the chances of North Korea developing an *effective* nuclear weapon were slight compared with the benefits likely to flow from an aggressive policy. The prizes would be worth the risks.

To what degree the nuclear test led to the agreement of 31 October to resume the Six Party Talks is unclear. Obviously it made it even more important for China to get the talks restarted, to attempt to forestall Japanese moves to nuclearise, if for no other reason. What pressure Beijing was willing to impose on Pyongyang, and able to impose on Washington remains uncertain, although there are rumours. In particular, it was suggested in South Korea that some agreement had been reached on the financial sanctions. The looming mid-term elections in the US, and the short-term advantage of claiming a diplomatic victory, may well have influenced the Administration's calculations.

However, it seems unlikely at this stage that the resumed talks will produce much in the way of substantial progress. The underlying realities and strategic policies of all six parties remain unchanged.

Tim Beal

CHINA, U.S., DPRK AGREE TO RESUME SIX-PARTY TALKS SOON

BEIJING, Oct. 31 (Xinhua) -- The six-party talks on the Korean peninsula nuclear issue are to resume soon, according to a source from the Chinese Foreign Ministry here Tuesday.

At the invitation of China, the heads of delegations to the talks from China, the Democratic People's Republic of Korea (DPRK) and the United States had an informal meeting in Beijing Tuesday, said the source.

"The three parties agreed that the six-party talks be held soon at a time convenient to the six parties," the source said.

The source said the three heads had a "candid" and "in-depth" exchange of views on continuing efforts to advance the process of the talks.

The six-party talks on Korean nuclear issue have remained stalled since the last round meeting in Beijing last November.

Source: Xinhua News Agency, Beijing, 31 October 2006

NORTH KOREA AGREES TO RESUME 6-PARTY TALKS

North Korea agreed Tuesday to return to the long-stalled six-way talks on its nuclear program, just weeks after the communist country conducted a nuclear bomb test.

South Korean and Chinese officials said the talks are likely to restart in November or December.

Seoul hailed the North's decision, made three weeks after its first nuclear test, as a possible breakthrough in the protracted nuclear stalemate.

Pyongyang's agreement came at an informal meeting of the chief envoys to the negotiations from the United States, North Korea and China in Beijing on Tuesday, according to the Chinese Foreign Ministry.

The gathering was reportedly brokered by Chinese chief nuclear interlocutor Wu Dawei, and U.S. Assistant Secretary of State Christopher Hill hurriedly flew to the Chinese capital, cutting short his trip to Australia. ...

He added North Korea set no conditions for its decision.

"They did not make any conditions," Hill said. "For us it was very important that no one should create conditions for attending the talks." ...

The North was supposed to hold discussions with its dialogue partners on how to implement the Sept. 19 joint statement in which it agreed to abandon its nuclear program in return for security guarantees and economic aid.

But North Korean negotiators took issue with Washington's blacklisting of a Macau-based bank, Banco Delta Asia (BDA), which was suspected of laundering money for Pyongyang.

North Korea had said it would continue to boycott the nuclear talks unless the U.S. lifts the restrictions. The U.S. had urged the North to come back to the table unconditionally.

It remained uncertain whether the U.S. and North Korea reached a deal on the thorny BDA issue at Tuesday's meeting.

A South Korean government official, asking not to be named, said the two sides seem to have made progress in resolving their financial disputes.

"We need to get more information from China on the issue," he said.

Source: Korea Times, Seoul, 31 October 2006

DPRK FOREIGN MINISTRY SPOKESMAN ON U.S. MOVES CONCERNING ITS NUCLEAR TEST

Pyongyang, October 11 (KCNA) -- A spokesman for the DPRK Foreign Ministry issued the following statement Wednesday as regards the U.S. ill-boding moves in the wake of the nuclear test in the DPRK: As we have already declared the field of scientific research of the DPRK successfully conducted an underground nuclear test under secure conditions on Oct. 9 as a new measure for bolstering its war deterrent for self-defence.

The DPRK's nuclear test was entirely attributable to the U.S. nuclear threat, sanctions and pressure.

The DPRK has exerted every possible effort to settle the nuclear issue through dialogue and negotiations, prompted by its sincere desire to realize the denuclearization of the Korean Peninsula.

The Bush administration, however, responded to our patient and sincere efforts and magnanimity with the policy of sanctions and blockade.

The DPRK was compelled to substantially prove its possession of nukes to protect its sovereignty and right to existence from the daily increasing danger of war from the U.S.

Although the DPRK conducted the nuclear test due to the U.S., it still remains unchanged in its will to denuclearize the peninsula through dialogue and negotiations.

The denuclearization of the entire peninsula was President Kim Il Sung's last instruction and an ultimate goal of the DPRK.

The DPRK's nuclear test does not contradict the September 19 joint statement under which it committed itself to dismantle nuclear weapons and abandon the existing nuclear program. On the contrary, it constitutes a positive measure for its implementation.

The DPRK clarified more than once that it would feel no need to possess even a single nuke when it is no longer exposed to the U.S. threat after it has dropped its hostile policy toward the DPRK and confidence has been built between the two countries.

No sooner had the DPRK, which had already pulled out of the NPT and, accordingly, is no longer bound to international law, declared that it conducted a nuclear test than the U.S. manipulated the UN Security Council to issue a resolution pressurizing Pyongyang, an indication of the disturbing moves to impose collective sanctions upon it.

The DPRK is ready for both dialogue and confrontation.

If the U.S. increases pressure upon the DPRK, persistently doing harm to it, it will continue to take physical countermeasures, considering it as a declaration of a war.

Source: KCNA, Pyongyang, 11 October 2006

U.N. INSPECTORS DISPUTE IRAN REPORT BY HOUSE PANEL

Paper on Nuclear Aims Called Dishonest

U.N. inspectors investigating Iran's nuclear program angrily complained to the Bush administration and to a Republican congressman yesterday about a recent House committee report on Iran's capabilities, calling parts of the document "outrageous and dishonest" and offering evidence to refute its central claims.

Officials of the United Nations' International Atomic Energy Agency said in a letter that the report contained some "erroneous, misleading and unsubstantiated statements." The letter, signed by a senior director at the agency, was addressed to Rep. Peter Hoekstra (R-Mich.), chairman of the House intelligence committee, which issued the report. A copy was hand-delivered to Gregory L. Schulte, the U.S. ambassador to the IAEA in Vienna.

The IAEA openly clashed with the Bush administration on pre-war assessments of weapons of mass destruction in Iraq. Relations all but collapsed when the agency revealed that the White House had based some allegations about an Iraqi nuclear program on forged documents.

After no such weapons were found in Iraq, the IAEA came under additional criticism for taking a cautious approach on Iran, which the White House says is trying to build nuclear weapons in secret. At one point, the administration orchestrated a campaign to remove the IAEA's director general, Mohamed ElBaradei. It failed, and he won the Nobel Peace Prize last year.

Yesterday's letter, a copy of which was provided to The Washington Post, was the first time the IAEA has publicly disputed U.S. allegations about its Iran investigation. The agency noted five major errors in the committee's 29-page report, which said Iran's nuclear capabilities are more advanced than either the IAEA or U.S. intelligence has shown.

Among the committee's assertions is that Iran is producing weapons-grade uranium at its facility in the town of Natanz. The IAEA called that

"incorrect," noting that weapons-grade uranium is enriched to a level of 90 percent or more. Iran has enriched uranium to 3.5 percent under IAEA monitoring. ...//..

Privately, several intelligence officials said the committee report included at least a dozen claims that were either demonstrably wrong or impossible to substantiate. ...//..

The report's author, Fredrick Fleitz, is a onetime CIA officer and special assistant to John R. Bolton, the administration's former point man on Iran at the State Department. Bolton, who is now ambassador to the United Nations, had been highly influential during President Bush's first term in drawing up a tough policy that rejected talks with Tehran...//..

Hoekstra's committee is working on a separate report about North Korea that is also being written principally by Fleitz. A draft of the report, provided to The Post, includes several assertions about North Korea's weapons program that the intelligence officials said they cannot substantiate, including one that Pyongyang is already enriching uranium.

The intelligence community believes North Korea is trying to acquire an enrichment capability but has no proof that an enrichment facility has been built, the officials said.

Source: Washington Post 14 September 2006

KIM DAE-JUNG HITS US HAWKS ON NUKE CRISIS

Former President Kim Dae-jung has expressed strong opposition to Washington's move to impose additional sanctions on North Korea, accusing hawkish members of the U.S. government of disrupting the peaceful resolution of the North Korean nuclear impasse.

In an interview with *Le Monde Diplomatique*, a French current affairs magazine published in Seoul, Kim reiterated that the United States should engage the communist state, dropping its hard-line policy toward Pyongyang.

He urged the U.S. administration to "respect" ways that Seoul deals with the North.

The former president's remarks came as the White House is said to be considering additional economic sanctions on North Korea when the U.N. General Assembly reconvenes this month because of Pyongyang's nuclear and missile programs.

"North Korea is eager to talk with the United States. But the 'neocons' of the Bush administration are pushing the North into a corner similar to the situation in Israel where a barrier has been constructed against the Palestinians," Kim said in the magazine's inaugural issue published in Korean...//..

The United States should have a dialogue with North Korea, while respecting South Korea's position in dealing with Pyongyang, he added.

He also called on the North to return to the six-party talks on denuclearizing the Korean peninsula that have been stalled since last November.

Kim said the relationship between the South and North is "on the right track."

He was worried that the United States and Japan may abuse the North Korean issue to strengthen their arms buildup against China.

"Do you think the United States is afraid of the North's nuclear program? No, that's not the case," Kim continued. "The neocons of the U.S. administration are instead taking full advantage of this kind of crisis situation. And the core reason for that is to check Beijing's growing influence in the region."

Meanwhile, the former president stressed the importance of putting the South Korea-U.S. alliance on an equal footing.

"I believe the firm South Korea-U.S. relationship will be maintained and has to be," he noted. "The thing is, however, the two friends need to tell each other good and bad things with open mind to make their relations everlasting."

Source: Korea Times, Seoul, 14 September 2006

NEO-CONS COME OUT GUNS BLAZING

By Jim Lobe

WASHINGTON - Encouraging Japan to build nuclear weapons, shipping food aid via submarines and running secret sabotage operations inside North Korea's borders are among a raft of policy prescriptions pushed by prominent US neo-conservatives in the wake of Pyongyang's reported testing of an atomic bomb.

Writing in publications ranging from National Review Online (NRO) to the New York Times, neo-conservatives claim, contrary to the lessons drawn by "realists" and other critics of the George W Bush administration, that Monday's supposed test vindicates their long-held view that negotiations with "rogue" states such as North Korea are useless and that "regime change" - by military means, if necessary - is the only answer.

"With our intelligence on North Korea so uneven, the doctrine of preemption must return to the fore," wrote Dan Blumenthal, an Asia specialist at the American Enterprise Institute (AEI) who worked for Defense Secretary Donald Rumsfeld during President Bush's first term, in the NRO on Tuesday. "Any talk of renewed six-party talks [involving China, Japan, Russia, the US and the two Koreas] must be resisted."

The North Korean test "has stripped any plausibility to arguments that engaging dictators works", according to Michael Rubin, a Middle East specialist at AEI, who added that the Bush administration now faced a "watershed" in its relations with other states that have defied Washington in recent years.

"This crisis is not just about North Korea, but about Iran, Syria, Venezuela and Cuba as well,"

said Rubin. "Bush now has two choices: to respond forcefully and show that defiance has consequence, or affirm that defiance pays and that international will is illusionary." ..//..

The neo-conservatives, whose influence on the Bush administration has generally been on the wane since late 2003 when it became clear that the Iraq war they had done so much to champion was going badly, nonetheless retain some clout, particularly through the offices of Vice President Dick Cheney and Rumsfeld.

They are opposed by the "realists" who are concentrated in the State Department and also include former secretary of state Colin Powell; his chief deputy, Richard Armitage; and a number of top national-security officials in the administration of former president George H W Bush, such as former national security adviser Brent Scowcroft and former secretary of state James Baker, who just last weekend publicly called for Washington to engage its "enemies" directly, including North Korea, Syria and Iran.

That stance is anathema to the neo-conservatives and their right-wing allies, such as Cheney, who, at one National Security Council meeting on North Korea several years ago, was reported to have said, "We don't negotiate with evil; we defeat it." ..//..

The neo-conservatives' main area of concern has historically been the Middle East - indeed, their central focus in recent months has been publicizing the threats to the United States and Israel allegedly posed by Iran and Hezbollah and opposing any realist appeals to engage Tehran and Damascus in direct talks. But they have also been warning for some time against "the appeasement" of North Korea and its chief source of material aid and support, China.

In their view, Beijing has always had the power to force Pyongyang to give up its nuclear-arms programs, and the fact that it has not done so demonstrates that China sees itself as a "strategic rival" of Washington, a phrase much favored by administration hawks during Bush's first year in office.

Indeed, in the most prominent neo-conservative reaction to the North Korean test to date, former Bush speechwriter David Frum called in a column published by the New York Times for the administration to take a series of measures designed to "punish China" for its failure to bring Pyongyang to heel.

Among them, Frum, who is also based at AEI and is credited with inventing the phrase "axis of evil", in which North Korea, Iran and Iraq were lumped together for Bush's 2002 State of the Union address, urged the administration to cut off all humanitarian aid to North Korea, pressure South Korea to do the same and thus force China to

"shoulder the cost of helping to avert" North Korea's economic collapse.

He urged that Japan, South Korea, Australia, New Zealand and Singapore be invited to join the North Atlantic Treaty Organization and that Taiwan, which Beijing regards as a renegade province of China, send observers to NATO meetings.

Frum, who in 2003 co-authored *An End to Evil* with former Defense Policy Board chairman Richard Perle, also suggested that Washington "encourage Japan to renounce the nuclear Non-Proliferation Treaty and create its own nuclear deterrent".

"A nuclear Japan is the thing China and North Korea dread most, after, perhaps, a nuclear South Korea or Taiwan," he asserted. "Not only would the nuclearization of Japan be a punishment of China and North Korea, but it would also go far to meet our goal of dissuading Iran [from trying to obtain a nuclear weapon] ... The analogue for Iran, of course, would be the threat of American aid to improve Israel's capacity to hit targets with nuclear weapons."

Other neo-conservatives echoed Blumenthal's position that the six-party talks should be abandoned and called for the US administration to resist any further appeals for bilateral talks between Washington and Pyongyang - repeatedly made by China, South Korea and Russia, as well as by realists in Washington, over the past several years.

"There will be renewed calls for bilateral talks between Washington and Pyongyang. That would be a mistake," said the lead editorial in the neo-conservative *Wall Street Journal*, which also urged the US to "make clear that a military response is not off the table".

Other commentators called for strong efforts to achieve regime change. James Robbins, senior fellow at the American Foreign Policy Council, called for covert action, including "sabotage, espionage, information operations, subversion, deception - the works. A highly paranoid totalitarian regime like Kim [Jong-il's] will be highly susceptible to these methods," he predicted. ...

Source: Asia Times Online 12 October 2006

SECURITY LAW ARRESTS INCREASE

The number of people arrested for violating the National Security Law, a controversial anti-communist law that progressives want to abolish, rose for the first time in ten years, the Justice Ministry said yesterday.

Law enforcement authorities have been strengthening their clampdown on espionage and other anti-state acts, following the recent arrest of five men, including two members of the opposition Democratic Labor Party (DLP), on charges of spying for North Korean agents.

According to the Justice Ministry, 14 people were arrested this year for violating the National Security Law as of last week, including the aforementioned five men, representing the first year-on-year increase since 1997. ...

A total of 573 people were arrested under the National Security Law in 1997, including students, political activists, labor unionists, and religious figures, driven by the government's intentions to dissolve the Confederation of Korean Student Unions, a leftist student activist group better known as Hanchongryon, which has been accused of being pro-North Korean.

Since then, however, the government has been easing its grip, with growing concerns about whether the Draconian law is infringing on political freedom and human rights. The number of people arrested under the security act dropped to 397 in 1998, 118 in 2000, 77 in 2003, 32 in 2004 and just 12 in 2005.

Critics, including civic liberty advocates and reform-minded lawmakers, have been calling for the abolition or amendment of the National Security Law, which they claim violates the basic individual rights protected by the Constitution.

They have been claiming that the law provides long prison terms and even the death penalty for "anti-state" and "espionage" activities, but these terms are vaguely-defined and have been used to imprison people unfairly.

Source: Korea Times, Seoul, 29 October 2006

CHANGING PYONGYANG REGIME REMAINS ULTIMATE GOAL: BOLTON

WASHINGTON - Changing the regime in North Korea is the end objective of the United States and its allies, but the United Nations doesn't share the same goal, a senior U.S. diplomat said Tuesday.

Ambassador John Bolton, already on record for his disapproving views of the U.N., said the U.S. goal in Korea has been the same since 1945: to see a peaceful reunification of the country under a democratic government.

"And it's not something that people at the U.N. like to talk about," he said on Fox News. "We have a different vision, obviously."

"If you talk about changing regimes, from authoritarian or semi-authoritarian to democracies, in the U.N. you would have a lot of countries quite unhappy."

"But I think that's something the United States and its friends should be pursuing on their own, because that is our ultimate objective," Bolton said. ...

The U.S. military would prevail in a war against North Korea but at a greater cost in lives than if the United States were not already fighting in Iraq and Afghanistan, the chairman of the Joint Chiefs of Staff said Tuesday.

"It would not be as clean as we would like it to be, but it would certainly be sure, and the outcome would not be in doubt," said Gen. Peter Pace.

He told a Pentagon news conference that the U.S. military has plenty of people available to fight wars beyond Iraq and Afghanistan, but he acknowledged that U.S.-based ground combat units are not fully equipped.

"We have 2 million folks who can start protecting this nation anywhere else we need them to tomorrow, if we need them to," Pace said when a reporter asked what sort of threat North Korea's military poses.

The fight, however, would be messier than if the U.S. military did not have 147,000 troops tied up in Iraq and about 20,000 in Afghanistan.

"It would be more brute force, wherever we might have to go next, than it would be if we weren't already involved in the war we have going on in Iraq and Afghanistan," Pace said. "Why? Because you need precision intelligence to drop precision munitions. And a lot of our precision intelligence assets are currently being used in the Gulf region. So some of those would not be available if you had to go someplace else."

As a result, there would be more unintended damage inflicted, he added.

"You end up more like a World War II, Korean War campaign," he said, adding that he was not making any predictions. "I'm just saying that, on a scale, you're going to have to use more brute force to get the job done" in North Korea. ...

Source Korea Herald, Seoul, 26 October 2006

CHINA'S N.K. POLICY UNLIKELY TO CHANGE

Maintaining the status quo on the Korean Peninsula is in Beijing's best interests ...

Two weeks have passed since U.N. Security Council resolutions were unanimously adopted Oct. 14, demanding that North Korea destroy its weapons of mass destruction and halt work on nuclear arms development.

It is widely acknowledged that the success of U.N. resolution 1718 ultimately depends on China. The resolution, based on Chapter 7 of the U.N. Charter, stipulates, "China's representative agreed that the Council's actions should both indicate the international community's firm position and help create conditions for the peaceful solution to the DPRK nuclear issue through dialogue."

As the resolution adopted basically reflected that spirit, China's delegation had voted in favor of the text. However, sanctions were not an end in themselves. China did not approve of inspecting cargo to and from the DPRK, and urged the countries concerned to adopt the same attitude, refraining from taking any provocative steps that could intensify the tension. China believed that the six-party talks were a realistic means of handling the issue. It also firmly opposed the use of force. ...

China's diplomatic policy toward the DPRK - in general and in the current crisis - involves a hierarchy of several interrelated interests: first, DPRK regime survival; second, conciliatory and nonprovocative North Korean behavior on security issues ranging from its nuclear weapons program to proliferation of other weapons of mass destruction; third, DPRK regime reform.

Therefore, China's priority is stability, which is indispensable to its high economic growth and closely related to the survival of Kim's regime ...

Nam Sung-wook (Korea University)

Source: Korea Herald, Seoul, 26 October 2006

PAVING THE WAY FOR JAPAN'S NUCLEAR ARMAMENT

The former Japanese prime minister Yasuhiro Nakasone on Tuesday said Tokyo needs to consider developing nuclear weapons given its proximity to nuclear states and in case of a sea change in the U.S.-Japan Security (AMPO) Treaty.

Nakasone headed a subcommittee of the ruling Liberal Democratic Party's committee to redraft the country's pacifist postwar Constitution last year. He more or less represents the position of Chief Cabinet Secretary Shinzo Abe, who is all but certain to become the next prime minister and believes Article 9 of the Constitution banning offensive military action should be revised and that nuclear armament should be an option. Abe has maintained for some years that the Constitution does not stop Japan from acquiring nuclear arms, that it should acquire them, and that it is capable of making them within a week.

The island country already had 43.1 tons of plutonium at the end of 2004. If a nuclear reprocessing plant in the village of Rokkasho in Aomori Prefecture goes into operation next year, it will turn out four tons of plutonium a year during the first two years and eight tons thereafter, enough to make thousands of nuclear weapons. Given the determination of Abe's faction, Japan's nuclear armament is only a matter of time.

That will shake the security structure around the Korean Peninsula to the core. A nuclear-armed Japan would also upset the power balance worldwide. When a criminal country that plunged millions of Asians into catastrophe in World War II aims at becoming again a military power armed with the bomb, it means that the postwar generation is brazenly perpetuating the wrongs of their fathers. It would trample on the victims of the nuclear bombs dropped on Hiroshima and Nagasaki.

It is North Korea that is providing Japan with the excuse, and our government that is egging Pyongyang on. Japanese Foreign Minister Taro Aso, when North Korea tested its missiles in July, said Tokyo has to thank the North. It is crystal clear what Japan will do if the North conducts a nuclear test.

President Roh Moo-hyun defended Pyongyang's nuclear development when he said there was "some reason" in it. It may have been some kind of joke, but Japan can use the North's nuclear program as an excuse to build the bomb. On top of it, our government is now systematically dismantling the Korea-U.S. alliance, based on which we can ask it to counter any Japanese threat to South Korea. Japan is having a high old time thanks to our administration's half-baked views on security.

Source: Editorial, Chosun Ilbo, Seoul, 6 September 2006

AT KAESONG IT'S BUSINESS AS USUAL AFTER NUKE TEST

After an announced North Korean nuclear test yesterday, the business community responded with equal parts panic and calm.

It was business as usual at the Kaesong Industrial Complex north of the border yesterday. "We have received news about the nuclear bomb testing, but the situation at the Kaesong Industrial Complex is no different than any other day," said Yeon Yeong-hwan, who heads the Woori Bank branch at the site. "Since the industrial complex by nature is different from the Mount Kungang tour, there is no concern that business will stop," Mr. Yeon added...//..

Kaesong is one of two major economic cooperation plans underway between North and South. The other is the Mount Kungang tour managed by Hyundai Asan Corp., a North Korean business arm of Hyundai Group.

After an emergency meeting the South Korean company said it has decided to continue the tours as usual, since there is no indication of danger to tourists from South Korea and the government in the South has not yet issued any orders. Six tourists who feared for their personal safety cancelled their trips yesterday, but about 1,000 went ahead with the tour...//..

Source: JoongAng Ilbo, Seoul, 10 October 2006

NORTH KOREA: AN UPCOMING SOFTWARE DESTINATION

Surprising business opportunities in Pyongyang ...//..

As a Dutch IT consultant, I am specialized in offshore software development projects, and I regularly travel to India and China. Recently, I was invited for a study tour to an Asian country which I had never visited before: North Korea. I had my

doubts whether to accept this invitation. After all, when we read about North Korea, it is mostly not about its software capabilities. The current focus of the press is on its nuclear activities and it is a country where the Cold War has not even ended, so I was not sure if such a visit would be useful...//..

Nevertheless, I decided to visit this country. This decision was mainly based on what I had seen in China. I had already traveled to China five times this year, and the fast growth of China as a major IT destination was very clear to me. China is now the production factory of the world, but China's software industry has emerged to become a global player in just 5 years. Several of the largest Indian IT service providers, including TCS, Infosys, Wipro and Satyam, have established their offices in China, taking advantage of the growing popularity of this country. However, I also noticed that some Chinese companies themselves are outsourcing IT work to neighboring North Korea. And since my profession is being an offshore consultant, I have no choice but to investigate these new trends in country selection, so I accepted the invitation to visit Pyongyang, the capital of North Korea.

I happened to be the first Dutch consultant to research the North Korean IT-sector ever, and the one-week tour turned out to be extremely interesting. Quite surprisingly, the country offers interesting business opportunities for European companies...//..

North Korea has a large number of skilled IT-professionals, and has a high level of IT-expertise in various areas. The country is evolving into a *nearshore* software destination for a growing number of clients from Japan, China and South Korea. An interesting example of their success is the work they are doing for South Korean giant Samsung, in the field of embedded software for mobile phones.

North Korean IT-companies are now also targeting the European market, and the low tariffs and the available skills are major advantages. Smaller and medium sized software companies can consider this country as a potential offshore destination, and should research the opportunities for collaboration or investment in more detail. ...//..

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We have raised enough money to buy a small tractor for the Korea-NZ Friendship Farm near Pyongyang. More details in our next issue, and on the NZ page of our website

Further information may be obtained from: <http://www.vuw.ac.nz/~caplabtb/dprk/>

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