NAPSNet Daily Report 01 June, 1999

Recommended Citation

"NAPSNet Daily Report 01 June, 1999", NAPSNet Daily Report, June 01, 1999, https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-01-june-1999/

IN TODAY'S REPORT:

I. United States

- 1. Perry's Visit to DPRK
- 2. ROK Reaction to Perry's DPRK Trip
- 3. DPRK Policy Towards ROK
- 4. DPRK Economic Structure
- 5. DPRK Famine
- 6. ROK-Russia Relations
- 7. US-PRC Relations
- 8. Cox Committee Report
- 9. US Arm Sales to Taiwan
- 10. Indian-Pakistan Talks

II. Russian Federation

- 1. RF-ROK Summit
- 2. RF Views of ROK President
- 3. RF-Japanese Relations
- 4. Development of Sakhalin
- 5. Japan-US Military Alliance
- 6. PRC-US Espionage Scandal
- 7. Tiananmen Incident Anniversary
- 8. PRC-US Relations
- 9. RF Defense Industry

I. United States

1. Perry's Visit to DPRK

Reuters ("PERRY BRIEFS OFFICIALS IN SEOUL ON N.KOREA VISIT," Seoul, 05/29/99) reported that US envoy to the DPRK William Perry on Saturday briefed officials in Seoul on his visit to the

DPRK. According to government officials, Perry was holding meetings with ROK Unification Minister Lim Dong-won and Foreign Ministry officials from the ROK and Japan.

Reuters ("PERRY DENIED AUDIENCE WITH N.KOREA LEADER," Washington, 05/29/99) reported that US State Department spokesman James Rubin said on Friday that the DPRK denied US envoy William Perry a meeting with DPRK leader Kim Jong-il. Rubin said, "Dr. Perry did meet with a wide variety of senior North Korean officials including those from high-ranking political foreign affairs and defense circles. There was no meeting with Kim Jong-il. A meeting with Kim Jong-il was not a prerequisite for the visit and evaluation of Dr. Perry's trip will not hinge on that."

The Associated Press (Sang-hun Choe, "NKOREA TOLD TO GIVE UP NUKE PROGRAM," Seoul, 05/29/99), the Washington Post (Kevin Sullivan, "N. KOREA PROMISES NO NUCLEAR WEAPONS NATION WILL KEEP TALKING," Tokyo, 05/30/99), and Reuters (Bill Tarrant, "U.S. OFFERS NORTH KOREA NEW ROAD FOR BETTER TIES," Seoul, 05/30/99) reported that US envoy William Perry said on Saturday that the US could offer a major expansion in ties with the DPRK if it abandoned its nuclear and missile programs. Perry said that during the visit, he had explored with Pyongyang "my thinking about the possibility of a major expansion in our relations and cooperation as part of a process in which the U.S. and allied concerns about missile and nuclear programs are addressed." Perry declined to give details about what was offered. Perry said, "I do not have for you at this time anything that I might characterize as a definitive response to this idea." Perry described the talks as "very intensive and extremely substantive and quite valuable in providing me with insights into the North Korean thinking on key issues of concern." Perry said he tried to establish relationships with senior officials who had direct links with Kim Jong-il, and "convey to them, clearly and firmly, U.S. and Allied views and concerns." Perry added that both the US and the DPRK agreed to keep missile nonproliferation talks going and to respect the 1994 Agreed Framework.

2. ROK Reaction to Perry's DPRK Trip

The Associated Press (Sang-Hun Choe, "S.KOREA HOPEFUL ON DISARMAMENT PLAN," Seoul, 06/01/99) reported that ROK President Kim Dae-jung said that he expects a positive response from the DPRK to a new disarmament proposal presented by US envoy William Perry last week. Kim said, "Things are moving in the right direction." Kim could not give a definite answer on when the DPRK will respond to the US proposal, but he said that he is optimistic and that Perry made progress during his visit. Kim stated, "Mr. Perry listened to everything the North Koreans had to say. Some of them said violent things, but Mr. Perry listened."

3. DPRK Policy Towards ROK

Pacific Stars And Stripes (Jim Lea, "NORTH KOREA KNOCKS ROK'S 'SUNSHINE POLICY'," 06/02/99, 3) reported that the DPRK's official Korean Central News Agency (KCNA) on Sunday called ROK President Kim Dae-jung's sunshine policy "nothing more than selling off our nation." KCNA also quoted the National Democratic Front (NDF), a pro-DPRK group that the DPRK claims operates in the ROK, as saying that the sunshine policy is a "bid to achieve national reunification through foreign powers." [Ed. note: This article was included in the US Department of Defense's Early Bird news service for June 1.]

4. DPRK Economic Structure

The Associated Press ("N. KOREA WARNS AGAINST CAPITALISM," Seoul, 06/01/99) reported that the DPRK's official Korean Central News Agency (KCNA) carried an article on Tuesday warning its

people today against the "Trojan horse" of capitalism, ruling out any economic or political reform in efforts to rebuild its economy. The article had been jointly published earlier by the daily Rodong Sinmun and the magazine Kulloja, or Laborer. The article said, "'Glasnost' and 'pluralism' called for by imperialists and renegades of socialism should never be allowed. Not the slightest illusion should be harbored about ... 'reform' and 'opening' that invite imperialism." It described Western calls for the DPRK to open its closed society as an attempt to send in a "Trojan Horse tasked to destabilize socialism." The article also urged the DPRK government to redouble ideological education of the public.

5. DPRK Famine

The Associated Press (Charles Hutzler, "GROUP SAYS MANY STARVE IN N. KOREA," Beijing 05/29/99) reported that Dean Hirsch, president of Christian relief group World Vision, said that although the DPRK's food shortages are not worsening due to international aid, many people are still starving. Hirsch, who arrived in Beijing after four days of inspecting group projects in the DPRK, stated, "There seems to be a plateau of stability in terms of food. There's still a critical need." Hirsch also said that factories and coal mines have shut down or are barely operating, causing hardship for communities. Hirsch said that he saw children living near one closed-down coal mine looking ill-fed and in need of medical help. At other times, he and other World Vision representatives saw people digging in the dirt for roots to eat. Charles Clayton, head of World Vision's British chapter, said that in the east coast port city of Wonsan, women and soldiers scoured railroad tracks for bits of grain left behind by a passing shipment of food aid. Hirsch added that there is not enough fertilizer or pesticides, and few tractors are working. He said that he met with Kim Yong-sun, a senior politician in the DPRK's ruling party, on Friday, and Kim said that the "crisis stage was over" and that energy, not food, was the DPRK's No. 1 need.

6. ROK-Russia Relations

The Associated Press ("S.KOREA LEADER MEETS WITH STEPASHIN," Moscow, 05/29/99) reported that Russia's ITAR-Tass news agency reported that ROK President Kim Dae-jung met with Russia's new prime minister on Saturday. According to ITAR-Tass, they discussed economic cooperation and Russia's importance as a potential peacemaker on the Korean Peninsula. ITAR-Tass added that Kim also thanked Russian President Boris Yeltsin for his backing of the ROK's policy of forging closer ties with the DPRK.

7. US-PRC Relations

The Associated Press (Charles Hutzler, "CHINA REASSESSES U.S. RELATIONS," Beijing, 05/31/99) reported that PRC scholars and policymakers have a variety of opinions of the proper policy toward the US. Gao Heng, an international strategy specialist at the PRC government-run Chinese Academy of Social Sciences, said, "China is being pushed into being the enemy. That's the U.S. strategy. China does not want to be the second Soviet Union." Xin Bo, an international affairs expert at a party-run training school, said, "The Cox report is even more important. It reflects what Americans feel about the Chinese people. This is a type of insult. Americans regard the Chinese with a low opinion." The state-run newspaper People's Daily said, "The most important goal in U.S. global strategy is how to maintain its unmatched overlord status in the 21st century. The United States is using political, economic, military, cultural and other means to expand globally and intensify plans to build a unipolar world." Jia Qingguo, a US expert at Peking University, said, "The two countries share too many important interests and the relationship must continue. Now the question is how to get over

these current difficulties. Both sides should make efforts. But the burden is on the United States."

The Washington Post (Michael Laris, "BEIJING BLAMES AMERICA FOR TIANANMEN PROTESTS," Beijing, 05/31/99, A17) reported that the PRC government issued a statement on Monday that accused the US of inciting the massive democracy protests in Tiananmen Square in 1989. The statement said that the US "played an inglorious role by directly masterminding schemes and giving money and goods to support those making the disturbance." It added that the US also spread rumors by through its media.

8. Cox Committee Report

The New York Times (Erik Eckholm, "CHINA DETECTS RACISM IN U.S REPORT ON SPYING," Beijing, 06/01/99), The Washington Post (Michael Laris, "TO MAKE A POINT, CHINA DOWNLOADS U.S. ARMS DATA," 05/31/99, A10), The Wall Street Journal (Matt Forney, "CHINA BLASTS COX REPORT AS 'PREJUDICE,'" Beijing, 06/01/99), The Associated Press (John Leicester, "CHINA TRIES TO DISPROVE THEFT CHARGE," Beijing, 05/31/99) and Reuters ("CHINA DISMISSES NUCLEAR THEFT CHARGES AS ABSURD," Beijing, 05/31/99) reported that Information Minister of the PRC's State Council Zhao Qizheng dismissed the Cox Committee Report as slander and typical racial prejudice. Zhao argued that the Cox Report is full of qualifiers and thus offered no substantive evidence of theft. He said that the PRC had developed atomic and hydrogen bombs by itself and did not need US secrets to build the warheads as the Cox Report alleges. Zhao said the PRC was "strongly indignant over this groundless, fictitious, conflicting and fabricated attack that fabricates facts and confuses black and white." Zhao added that the information PRC is accused of stealing has long been openly available in the US, pointing to the web page of the Federation of American Scientists (http://www.fas.org) that displays technical descriptions of US warheads and missiles. Charles Ferguson, a nuclear expert who is also a senior research analyst at the Federation, said that the information on his organization's website could be useful to the PRC, but he disputed the suggestion that there is no difference between what is available in public and secret information. Ferguson stated, "There are thousands of parts in the most advanced nuclear weapons. Just knowing the basic components, what goes into the primary part of it, what goes into the secondary part of it ... is not enough to give someone the blueprint to develop these things." [Ed. note: This article was included in the US Department of Defense's Early Bird news service for June 1.]

The Los Angeles Times (Maggie Farley, "CHINA'S MILITARY POWER LAGS U.S. DESPITE SPY FEARS," Shanghai, 06/01/99, Pg. 1) reported that US and PRC analysts said that the balance of military power between the US and the PRC has not been affected by PRC espionage. Yan Xuetong, a security specialist at the China Institute of Contemporary International Relations, a government think tank, stated, "It is clear that some people in Washington want to drag China and the U.S. back into a Cold War, to make China the enemy. That [Cox Committee] report helps those who think that there's no reason to talk to America anymore." Many in the PRC military believe the next step for the US is a NATO-like intervention in the PRC struggles with Taiwan, Tibet or even the DPRK. General Wang Zuxun, head of the military science academy of the People's Liberation Army, said that the situation "creates an urgent desire to purchase advanced military equipment as soon as possible." As a result, the PRC's military budget will increase. An unnamed PRC defense analyst said that even so, "any Chinese improvements in modernization can still not close the gap or affect the imbalance of power with the United States. China can't compete in an arms race. We learned a lesson from Russia." James Mulvenon, a Rand Corporation military expert, said, "The U.S. is no more at threat now than before this alleged espionage. It's only half the battle to steal technology. The hard part is to make it work." An unnamed Western diplomat in the PRC said, "Proliferation is a key concern. Stealing secrets is not the real danger as much as passing on what they found. That's when the nightmare begins." [Ed. note: This article was one of the top stories in the US Department of

Defense's Early Bird news service for June 1.]

The Washington Post (Vernon Loeb and Walter Pincus, "SO WHY DID BEIJING TIP OFF THE CIA?," Washington, 05/29/99) reported that the Cox Committee Report revealed that the conclusion that the PRC had stolen US nuclear technology rested largely upon a document deliberately given to the Central Intelligence Agency (CIA) by a "walk-in" Chinese agent secretly acting on the orders of PRC's intelligence agency. The article said that this suggests that the PRC deliberately supplied the US with evidence of its espionage. US Representative Christopher Cox, California Republican, the panel's chairman, told the House of Representatives subcommittee on Wednesday that the PRC might have been trying to intimidate the US, or might simply have made a mistake. However, Donald Gregg, a former CIA operations officer and now president of the Korea Society, said that he believed that the PRC had not been as "diabolically clever," and the US had not been as "monumentally stupid," as the committee suggested. Gregg theorized that the document contained "degraded information" that the PRC agents were passing back to the CIA as part of a "cat-and-mouse" game to show that the Chinese knew the CIA had fed them misinformation.

9. US Arm Sales to Taiwan

Reuters ("CHINA DEMANDS U.S. CANCEL WEAPONS SALE TO TAIWAN," Beijing, 06/01/99) reported that the PRC on Tuesday demanded that the US cancel plans to sell air-to-surface anti-tank weapons to Taiwan to avoid "new damage" to US-PRC relations. Zhu Bangzao, PRC Foreign Ministry spokesman, said that the PRC government demands that the US government abide by the three US-PRC joint communiques, especially the August 17 communique, and also cancel the sale. Zhu said, "The United States selling weapons to Taiwan is an infringement of China's sovereignty and territorial integrity. It is an interference in China's internal affairs and also threatens China's security."

10. Indian-Pakistan Talks

The Associated Press (Hema Shukla, "INDIA AGREES TO TALKS WITH PAKISTAN," Dras, India, 05/31/99) and The New York Times (Celia W. Dugger, "ATMOSPHERE IS TENSE AS INDIA AND PAKISTAN AGREE TO TALKS," New Delhi, 06/01/99) reported that an Indian Foreign Ministry spokesman said that Indian Prime Minister Atal Bihari Vajpayee had agreed to a proposal by his Pakistani counterpart, Nawaz Sharif, that Pakistan send its foreign minister to India for talks on Kashmir. The ministry said that the date for the visit by Pakistan Foreign Minister Sartaj Aziz was being worked out. However, Vajpayee said India would continue to fight to drive the guerrillas from their positions along the Indian side of the Line of Control, the cease-fire line dividing Kashmir between the two countries. Vajpayee stated, "When we started the bus service to Lahore, it was to improve relations. I went as an emissary of peace. I have told the Pakistani leadership that it seems that while I talked peace with you, you were preparing to attack our borders. We still believe in peace, but you cannot clap with one hand." Tariq Altaf, a spokesman of Pakistan's Foreign Office, said on Monday that Pakistan has asked India to stop the air raids and to agree to neutral monitors or UN observers at the cease-fire line, but India has ruled out these steps. [Ed. note: This article was included in the US Department of Defense's Early Bird news service for June 1.]

II. Russian Federation

1. RF-ROK Summit

Nezavisimaia gazeta's Dmitry Yuryev ("KIM DAE JUNG COMING TO MOSCOW," Moscow, 6, 5/27/99) reported that ROK President Kim Dae-jung came to Moscow on a state visit after a 5-year gap in RF-ROK summits. The author speculated that if due attention were not paid to the situation on the Korean Peninsula, "theoretically it could lead to an emergence of a new Kosovo in East Asia,"

Izvestia ("KIM DAE JUNG: I SEE WITH RESPECT THE PATRIOTISM AND COURAGE OF THE RUSSIAN PEOPLE," Moscow, 1, 4, 5/27/99) reported that ROK President Kim Dae-jung gave an interview to Izvestia. In particular, answering the newspaper's concern about the US-Japanese plans to deploy a Theater Missile Defense system in East Asia which could boost regional arms race, he said: "We believe the study of the question of creation of an anti-missile defense system should go on transparently and with interests of the whole Northeast Asia taken into account, in order to prevent a wrong perception emerging among the countries of the region. As for the position of the Republic of Korea, in our view such a system would not be of much efficiency, because the distance from the truce line to Seoul is not more than 40 kilometers. Therefore we don't have plans for participation in a tactical anti-missile defense system." Answering the questions about the prospects of his meeting with DPRK leader Kim Jong-il, Kim Dae-jung said, "I am ready to take part in a South-North summit anytime when the necessary conditions are created. But I won't be in a hurry, because I don't consider a summit a priority goal.... It is more important to strive for an improvement of the South-North relations.... North Korea's reaction to the 'sunshine' policy cannot be assessed as unequivocal." Concerning "the food diplomacy" of Hyundai, Kim said, "it is symbolic, and we see in it a pivotal point in the South-North relations."

Izvestia's Yury Savenkov ("MOSCOW AND SEOUL SATISFIED WITH EACH OTHER," Moscow, 3, 5/29/99) reported that RF President Boris Yeltsin made a break in his vacation on the Black Sea coast and came to Moscow to meet ROK President Kim Dae-jung coming on a state visit to the RF. As ROK businessmen are still skeptical about investments in the RF, Kim brought a number of the ROK's major business leaders with him. The parties have already signed three documents: a treaty on mutual legal assistance in criminal cases, an agreement on cooperation in peaceful use of nuclear power, and an agreement on the creation of RF-ROK industrial complex in "Nakhodka" free economic zone. The problem of the RF's debt to the ROK could possibly be solved by deliveries of RF-made weapons and equipment.

Segodnya ("RUSSIA AND KOREA LIKE EACH OTHER," Moscow, 2, 5/29/99) reported that following the RF-ROK presidential summit in Moscow three documents were signed. RF President Boris Yeltsin said the documents signed by him together with ROK President Kim Dae-jung "created real conditions for equal and mutually beneficial partnership." President Kim said "we are satisfied with the results of the negotiations." He also said they discussed in detail ways of bilateral cooperation in strengthening the political stability in various areas including the Korean Peninsula. Following the talks a joint statement was adopted saying the two countries "agreed as to the necessity to strengthen interaction in various fields of cooperation."

2. RF Views of ROK President

Sovetskaya Rossia's Yevgeny Ivanov ("A 'SUNSHINE' NOTHING," Moscow, 3, 5/29/99) commented on ROK President Kim Dae-jung's state visit to the RF. According to the author, Kim undertook "a reshuffle" in his Government because just like his host, RF President Boris Yeltsin, he "likes to search for scapegoats to be made responsible for presidential failures." Instead of economic recovery promised by Kim a year ago, the economy of the ROK fell by 5 percent last year, with the 8.7 percent of unemployment a record for the last 30 years. "The sky over South Korea is even more gloomy than a year ago when Kim Dae-jung took the Presidential seat. Yet the fact has not prevented him from bluffing and even to put forward a so called sunshine policy widely advertised by the

official South Korean press." That "strange phenomenon" is thoroughly analyzed in an analytical commentary called "Words and Deeds of the South Korean President" disseminated by the DPRK's official Central News Agency on the eve of the RF-ROK summit in Moscow. The commentary said that the ROK policy of "embracing" the DPRK is "a conspiracy to forcefully change the sociopolitical system in the DPRK." On his first visit to the US after the election "Kim Dae-jung in a servile way fawned upon [US President Bill] Clinton and assured the US troops in South Korea would stay there further on 'even after a unification of Korea'!" In the past the ROK, trying to separate the USSR and the DPRK, promised loans. Now, to pay back the US$1.47 billion debt, "a dangerous deal is discussed: to serve the debt Moscow is ready to deliver three submarines to South Korea for 400 billion wons (US$335 million) each. Simultaneously, Russia must pay a political price by supporting 'the sunshine policy' of 'constriction' of the DPRK in Seoul's 'embrace!' ... Even the US pursues a more balanced policy toward the DPRK.... One can rest assured that an 'anschluss' type concept proposed by the South Korean President will burst like a soap-bubble."

3. RF-Japanese Relations

Izvestia's Vasiliy Golovnin ("YELTSIN WILL NOT RECEIVE THE HEAD OF JAPANESE DIPLOMACY," Tokyo, 5/29/99) reported that Masahiko Komura, Japanese Foreign Minister, on 5/28/99 left for Moscow on a official visit to discuss trade issues and the territorial problem, including the promotion of Japanese visitors to South Kurils. Yet the question of the South Kurils and a peace treaty "has come into a dead-end. One could imagine that it has become too impolite to discuss those issues against the background of the Yugoslavian crisis and permanent political convulsions among the Russian leaders. The Japanese, by the way, are sorry about the departure of Mr. Primakov, who was a tough negotiating partner, but understood the importance of relations with Tokyo. Now our Far Eastern neighbors fear that the new Government of Stepashin in the turbulence of its concerns will forget about Asia's existence at all." Japanese diplomats consider it a priority to arrange for RF President Boris Yeltsin's visit to Japan this autumn. Yet "Masahiko Komura himself is not to see Boris Yeltsin - in the Kremlin they said quite clear that there is to be no meetings."

4. Development of Sakhalin

Segodnya's Galina Terentyeva ("A GOVERNOR DREAMS TO COMPLETE STALIN'S UNDERTAKING," Moscow, 2, 5/29/99) carried an interview with Igor Farkhutdinov, Governor of Sakhalin Region of the RF Far East. Farkhutdinov described Japanese companies' participation in oil exploration on the sea shelf of the Island of Sakhalin and said that in two months a "festival of the first oil" will be held there. He noted that his Region is the only one in the RF to have a special cooperation agreement with Japan, namely the Hokkaido Prefecture, and it is the only one in the RF where recently an affiliate of the Bank of Japan opened. He recalled that in 1950 Josef Stalin ordered an underwater tunnel to be built to link Sakhalin with the mainland, but after Stalin's death in 1953 the work stopped two years short of completion. Ferry crossing is impossible due to storms and ice in the Straits of Tatar, so as a result the island is cut off for months. Today, except for Nakhodka, there are no all-weather ports in the RF Far East. The port of Korsakov on Sakhalin is "practically" all-weather as well. Therefore a tunnel could solve a lot of problems. "Japanese are also very interested in a tunnel construction there," Farkhutdinov added. By the end of summer the RF Railway Ministry and Sakhalin Region Administration are to complete technical economic calculations for the construction.

5. Japan-US Military Alliance

Nezavisimaia gazeta's Andrey Ilyashenko ("JAPAN WIDENS THE MILITARY ALLIANCE WITH THE USA," Tokyo, 6, 5/27/99) reported that on May 24 the upper chamber of the Japanese Parliament approved, following the same decision made by the lower chamber, a package of amendments to a number of laws aimed at widening outside military links. Now Japan is legally free to support the US Armed Forces beyond the Japanese territory in case of military conflicts emerging "in areas adjacent to Japan." For the first time since World War II, the Japanese military can participate in combat operations, not just exercises or rescue missions, outside Japanese borders. Nezavisimaia gazeta's author stressed that "for Asia that fact is of almost the same symbolic significance as the participation of the Federal Republic of Germany in bombardments of Yugoslavia is for Europe." Additional suspicions are created by the fact that "the adjacent areas" still is not defined, while the National Defense Agency of Japan argues that the concept of Japan-US military cooperation outside Japan "is not of a geographical nature, but of a situation-based one," as it is aimed at settling conflicts that might render an important impacts on Japan's security. By implication the Korean Peninsula and Taiwan are among such areas of interest. Nezavisimaia gazeta's author argued that then the Middle East could well fall under the definition, and "it is quite logical that Ichiro Ozawa, leader of the Liberal Party of Japan, which is a member of the ruling coalition Government, directly said that the sphere of US-Japan military cooperation could also cover Russia's Far East." It should be noted that the lower chamber of the Japanese Parliament excluded from the legislative package a provision that would have had permitted the Japanese Navy to intercept and search foreign vessels in order to support UN economic sanctions.

Nezavisimaia gazeta's Mikhail Yuryev ("IS JAPAN AN ASIAN MEMBER OF NATO?" Moscow, 6, 5/29/99) commented on the Japanese Parliament's decision on the new US-Japanese defense guidelines. The author concluded, "In general the inevitable thought comes that the US-Japanese military alliance in its present form as concerns its aims and guidelines has become much similar to the contemporary NATO and its new strategic doctrine." He added, "Actually two countries of the region - Japan and the USA - dare to decide [what constitutes and emergency], while ignoring all the other countries, on when the situation is an emergency or not and whether to use force.... After the NATO aggressive actions in Yugoslavia the scenarios of Americans and their allies using forceful means in the Asia Pacific region as well do not seem too much unreal." The author recalled that previously the RF was "unprecedentedly tolerant in its assessments of the Japanese-American alliance," as "it recognized a certain stabilizing role of such alliances in the Asia-Pacific region where corporate multilateral security structures have not yet been established." Now both the RF and the PRC view the developments with deep suspicion, which hardly helps stability. The author warned, "Leaders of Japan aspiring for a permanent seat at the UN Security Council should be clearly aware that any plans or attempts on a bloc-basis 'to bring order' to unstable regions dissolve the role, capacity and authority of that universal international organization." As for Russia, "one cannot rule that at a certain stage it would have to think about measures of purely military nature taking into account the new configuration of the Japanese-American interaction." Yet at the same time "it is possible that the further deepening of mutual relations with Japan and principled and honest discussion with it of all obvious negative aspects of 'bloc thinking' will finally avoid a repetition of the Balkan tragedy in Asia."

6. PRC-US Espionage Scandal

Nezavisimaia gazeta's Marina Smirnova ("CLINTON NEEDS CHINA," Moscow, 6, 5/27/99) reported that US President Bill Clinton said that, following the discovery of PRC espionage in the US, he would practically apply some 20 recommendations made by the US Congress Special Committee. He added, however, that the US would by no means sever links with the PRC. It is obvious, the author stressed, that the two countries would try to continue their economic cooperation, but "the US

Congress almost surely will not approve PRC membership in the WTO (World Trade Organization)." Plus there are the issues of human rights in the PRC, the NATO bombing of the PRC Embassy in Belgrade, the PRC's anger over US-Japanese Theater Missile Defense plans for East Asia, and allegations of "a Chinese trail" in Clinton's Presidential campaign of 1996. It is clear also that the espionage scandal will hardly help the Republicans, because, according to the 700-page report prepared by the US Congressional Commission, spying had been going on during the previous Republican presidencies as well. "All those factors in aggregate play into the hand of just one player - Russia. Moscow, which has for a long time been wooing Beijing into its nets, should use to the full the existing situation in its interests."

Segodnya's Nikolai Zimin ("CLINTON ACCUSED OF GIVING AWAY THE SECRETS," Washington, 3, 5/27/99) reported that the US National Security Agency intercepted some recent PRC diplomatic communications and prepared a secret report. According to the report, the PRC intelligence sources consider the NATO strikes against the PRC Embassy in Belgrade as "a NATO conspiracy," because the greatest damage was made to the PRC Military Attache Office and a room containing communication equipment and security systems. As if to reply, the US Congress Special Committee prepared a 700-page report claiming that PRC agents in the US had been clandestinely obtaining US nuclear and other secret military technologies for the last 20 years. Allegedly even now those agents control some 3,000 high tech companies, especially those situated on the West Coast. A US intelligence and security official compared that PRC espionage to Soviet spies' infiltration of the Manhattan Project. The report prepared by the congressional committee also claimed that the US presidential administration had failed to abide to the National Security Act, thus facilitating the PRC espionage.

Izvestia's Vladimir Abarinov ("CLINTON AND ATOMIC SECRETS," Washington, 4, 5/27/99) reported that, according to the report prepared by the US congressional Committee on alleged PRC espionage, due to its intelligence efforts in the US the PRC had managed to carry out its total nuclear rearmament and, in some experts' opinion, as early as in the beginning of the next year its submarines would be able to hit US territory with MIRVed ICBMs even without leaving the PRC's territorial waters. President Clinton's political opponents sharply criticized the whole doctrine on the PRC with which his team came to the White House in 1992. To US officials' arguments that without a wide economic and technology cooperation the PRC would have never signed the Comprehensive Test Ban Treaty (CTBT) and non-proliferation agreements, the opponents reply that the PRC signed the CTBT precisely because it has obtained US computer technologies capable of simulating nuclear explosions. "As for cooperation in non-proliferation, now it is frozen the same way as any interaction in the military field."

7. Tiananmen Incident Anniversary

Segodnya's Anna Apostolova ("THE ANNIVERSARY OF THE TIANANMEN EVENTS IS CLOSE AT HAND," Moscow, 3, 5/29/99) reported that with the 10th anniversary of the Tiananmen events, the PRC authorities make security measures tighter. Meanwhile the US Senate adopted a resolution condemning the dismissal of democratic demonstrations there 10 years ago and expressing condolences to the victims' families. The PRC's reaction was sharply negative. Its Foreign Ministry stated that "this resolution intentionally distorts the facts about the state of the human rights sphere in China and is yet another attempt to interfere in China's domestic affairs under the pretext of protection of civil freedoms."

8. PRC-US Relations

Segodnya ("BEIJING FREEZES ITS RELATIONS WITH WASHINGTON," Moscow, 3, 5/28/99) reported that the PRC said it would not wish to resume talks with the US about its entry to the World Trade Organization (WTO) until it gets a full and total explanation about the NATO bombing of its Embassy in Belgrade in early May. PRC Deputy Foreign Trade Minister Long Yongtu said the PRC had no intention to agree to any further demands to open its market, even if that would make its entry to the WTO slower.

Moskovsky komsomolets ("AMERICA BOMBED THE CHINESE AS A REVENGE," Moscow, 2, 5/31/99) referred to "rumors in Western mass media ... (promoted by the Chinese side)" that "the bombs hitting the Chinese Embassy in Belgrade was not a tragic mistake, but a thoroughly planned revenge action. Allegedly the USA, not being able to return the stolen thermonuclear know-how, decided to drag China into the conflict. It's not clear why and what for. Possibly they wanted to verify though practice whether China really possesses those nuclear weapons which even its developers allegedly do not have yet."

9. RF Defense Industry

Segodnya's Oleg Odnokolenko ("A COMBAT VEHICLE OF PROGRESS," Moscow, 1, 2, 5/27/99) reported that even prior to his appointment as RF Premier, Sergey Stepashin was approached by the heads of the "most militarized regions" of Saint Petersburg and Sverdlovsk with a suggestion to revive a Soviet-like Ministry of Defense Industry. During his recent visit to RF President Boris Yeltsin on a vacation at the Black Sea coast, Stepashin made somewhat different proposals, which were accepted and the result is that a State Commission on Defense Industry to be run by one of Vice Premiers will be created. Six ministries and agencies will be subordinated to it: the Russian Space Agency, the Atomic Energy Ministry, the Ship Building Ministry, and others. Unlike the "Rosvooruzheniye" state arm-selling company, those are to sell high technologies and to create new production links. Their task is also to carry out a conversion of the military industrial complex to make it profitable. Presently the military industries account for a third of the RF State budget (164 billion roubles).

The NAPSNet Daily Report aims to serve as a forum for dialogue and exchange among peace and security specialists. Conventions for readers and a list of acronyms and abbreviations are available to all recipients. For descriptions of the world wide web sites used to gather information for this report, or for more information on web sites with related information, see the collection of other NAPSNet resources.
We invite you to reply to today's report, and we welcome commentary or papers for distribution to the network.

Produced by the Nautilus Institute for Security and Sustainable Development in partnership with:
International Policy Studies Institute Seoul, Republic of Korea
The Center for Global Communications, Tokyo, Japan
Center for American Studies,
Fudan University, Shanghai, People's Republic of China

Timothy L. Savage: napsnet@nautilus.org
Berkeley, California, United States

Wade L. Huntley: napsnet@nautilus.org
Berkeley, California, United States

Lee Dong-young: UNPOL@netsgo.com
Seoul, Republic of Korea

Hiroyasu Akutsu: akutsu@glocomnet.or.jp
Tokyo, Japan

Peter Razvin: icipu@glas.apc.org
Moscow, Russian Federation

Chunsi Wu: dlshen@fudan.ac.cn
Shanghai, People's Republic of China

Dingli Shen: dlshen@fudan.ac.cn
Shanghai, People's Republic of China

View this online at: https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-0--june-1999/

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