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### **CONTENTS**

- I. United States
- 1. DPRK Korean Central News Agency Statement on Six-Party Talks
- 2. DPRK Multilateral Talks
- 3. ROK-Japan-US DPRK Strategy Meeting
- 4. DPRK on KEDO Compensation
- 5. DPRK-US Relations
- 6. Japan DPRK Spy Satellite Launch Failure
- 7. Taiwan-PRC Espionage
- 8. Japan Iraq Troop Dispatch
- 9. Japan Iraq Diplomat Casualties
- 10. ROK on Iraq Terrorist Attacks
- 12. ROK Domestic Economy
- 13. US State Department on Bolton
- 14. Bolton on Nuclear Weapons and Rogue States
- II. People's Republic of China 1. US Security Policy
- 2. US on Taiwan Issue
- 3. PRC's Stance on Taiwan Issue
- 4. PRC-Japan Relations
- 5. PRC-US Relations
- 6. PRC's Commentary on DPRK Issue
- 7. PRC's Commentary on Japan's Military Ambitions
- 8. Japan's Domestic Politics
- 9. US-ROK Relations
- 10. Six-party Talks
- 11. Japan's Abandoned Chemical Weapons
- III. CanKor E-Clipping Service 1. Issue #144

# **I. United States**

### 1. DPRK Korean Central News Agency Statement on Six-Party Talks

Korean Central News Agency ("U.S. URGED TO ACCEPT SIMULTANEOUS ACTION AND PACKAGE SOLUTION," Pyongyang, 12/01/03) carried the following statement: The denucleariation of the Korean peninsula must be realized not by action to words but by action to action according to the proposal for a package solution based on the principle of simultaneous action. This is the essential principle and method of the denuclearization of the Korean peninsula and the stand and attitude the DPRK and the U.S. should take at the six-way talks. Rodong Sinmun today says this in a signed commentary, the gist of which reads: The DPRK's proposal for a package solution based on the principle of simultaneous action elaborates on the blueprint of a package solution and the order of simultaneous action to comprehensively and fairly settle the nuclear issue including the U.S. switchover in its hostile policy toward the DPRK, the DPRK's renunciation of its nuclear program and opening of diplomatic relations between the two countries. The nuclear issue on the Korean peninsula cropped up when the U.S. shipped nuclear weapons into south Korea. The U.S., a possessor of nuclear weapons, compelled the DPRK to leave the Nuclear Non-Proliferation Treaty by failing to honor its commitments and obligations as regards the fundamental settlement of the nuclear issue between it and the DPRK and infringing upon the dignity and sovereignty of the DPRK. The self-defensive measure was taken by the DPRK as the U.S. totally scrapped the DPRK-U.S. Agreed Framework. To shun the package solution based on the principle of simultaneous action means adherence to the demand for "renouncing the nuclear program first" and to the scheme to stifle the DPRK. This is, to all intents and purposes, opposition to the denuclearization of the Korean peninsula. The U.S. demand that the DPRK drop "the nuclear program first" means that the DPRK should lay down arms and work for the U.S. as a servant. The DPRK can never accept it. It would rather die than having peace in exchange for slavery. The DPRK's blueprint of a package solution is simple, clear-cut and fair. It is the DPRK's stand that both sides should lay down arms at the same time and co-exist in peace. The U.S. should make the bold political decision to accept the proposal for a package solution based on the principle of simultaneous action at an early date.

### 2. DPRK Multilateral Talks

The Associated Press ("SIX-PARTY NORTH KOREA TALKS MAY BE DELAYED," 12/02/03) reported that DPRK demands and US consultations with China, Japan and the ROK could delay resumption of six-party talks on the DPRK's nuclear program until next year, a Bush administration official said Tuesday. The talks had been expected to convene Dec. 17, after China's vice foreign minister, Wang Yi, meets with DPRK leaders. Wang met last month in Washington with Secretary of State Colin Powell and Deputy Secretary of Defense Paul Wolfowitz. An initial round of multiparty talks was held in Beijing in August. Since then, the DPRK has made demands for concessions to be extended simultaneously with a drawdown of its nuclear program instead of after it had been shut down, said the official, speaking on condition of anonymity. At the same time, the Bush administration is stepping up its consultations. A PRC official held talks in Washington on Monday. South Korea's assistant foreign minister, Lee Soo-hyuck, will visit Washington Wednesday through Friday, and Mitoji Yabunaka, director of the Japanese Foreign Ministry, will hold talks Thursday through Saturday. They also will meet together Thursday with James Kelly, an assistant secretary of state, to discuss preparations for the next round of talks, State Department spokesman Adam Ereli said.

### 3. ROK-Japan-US DPRK Strategy Meeting

Asia Pulse ("S. KOREA, US, JAPAN TO HOLD STRATEGY MEETING THIS WEEK," Seoul, 12/01/03) reported that senior diplomats from the ROK, the US and Japan will meet in Washington this week to discuss joint strategies ahead of soon-to-be-held multilateral talks on the DPRK's nuclear weapons

program, officials said Friday. Attending the trilateral session, scheduled for Wednesday and Thursday, will be the ROK's Deputy Foreign Minister Lee Soo-hyuck, US Assistant Secretary of State James Kelly and Mitoji Yabunaka, director general of the Asian and Oceanian Affairs Bureau at Japan's Foreign Ministry. Their talks will likely focus on fine-tuning a joint proposal to offer to the DPRK at the next round of six-nation talks. ROK and Japanese media have quoted unidentified sources as saying that it is likely to be from Dec. 17-19 in Beijing.

# 4. DPRK on KEDO Compensation

The Associated Press (Soo-Jeong Lee "N. KOREA SEEKS PAY FOR NUKE PROGRAM DELAY," Seoul, 11/30/03) reported that the DPRK says the US should compensate it for halting work on two nuclear reactors there amid efforts to arrange a second round of six-nation talks on the communist state's atomic weapons program. "The government is determined to certainly force the US to compensate for all financial and material losses it caused" to North Korea by suspending work on the light water reactors, Rodong Sinmun, a DPRK state-run newspaper, said. The report was carried by KCNA, the DPRK's official news agency.

### 5. DPRK-US Relations

Wall Street Journal "Christopher Cooper, "STANDOFF WITH NORTH KOREA: THE SAD BASIS FOR TIES BETWEEN US, NORTH KOREA; THE SEARCH FOR AMERICAN MIAS COULD LEAD TO A WIDER RELATIONSHIP," Seoul, 11/26/03) carried an analytic piece that reported that the DPRK is furious that President Bush placed it in his "axis of evil." Bush is furious over the DPRK's nuclear ambitions and weapons trade. But neither is likely to prevent US soldiers from digging up farmland north of Pyongyang come spring. Marking an odd and enduring tradition that seems impervious to broader bilateral tensions, the US and the DPRK sat down in Bangkok, Thailand, recently and scheduled a series of forensic searches for American remains in the DPRK next year. What's more, the US emerged from the low-key meetings with the best deal it has ever gotten from the North Koreans on the issue of Americans missing in action: a promise from Pyongyang to mount five cooperative search missions in 2004. Beginning in the spring, a team of 28 US soldiers will search two sites north of Pyongyang where the remains of 1,000 or so American soldiers are believed to have lain since the Korean War. Some 8,100 US soldiers remain unaccounted for in North Korea. Using MIA remains as a wedge to negotiate with hostile countries is a dance at which Washington is becoming rather adept, having gone through a similar process with Vietnam. And the Vietnam experience shows that such talks can lead to broader rapprochement -- something in the back of many minds on both Washington and Pyongyang. Following the end of the war in 1975, relations between the US and Vietnam were as frosty as the current relations with North Korea. The US maintained no ties with Vietnam, other than informal MIA talks, for most of the 1980s. In 1988, Vietnam began fully cooperating on the return of MIAs, prompting the US a few years later to lay out a road map for normalized relations. In 1994, President Clinton rewarded Vietnamese cooperation by revoking trade sanctions, and in 1995 the two countries restored diplomatic relations. Jerry Jennings, a Pentagon deputy assistant secretary and leader of the MIA negotiating team, says such a scenario isn't impossible with North Korea. When the Vietnamese invaded neighboring Cambodia in 1979, the only surviving diplomatic link between the two countries was the MIA talks. "Vietnamese tell me today that they look at the MIA issue as the reason the relationship survived and succeeded as well as it did," Mr. Jennings says.

### 6. Japan DPRK Spy Satellite Launch Failure

Agence France-Presse ("FAILURE TO LAUNCH ROCKET CASTS SHADOW ON JAPAN'S SPACE, DEFENCE PLANS," 11/30/03) reported that Japan's failed launch this weekend of a rocket carrying spy satellites has cast a shadow over its ambitions to lead Asia's space race, especially following the PRC's successful manned space flight, experts said. The unsuccessful launch Saturday of two spy satellites to monitor the DPRK also dealt a severe blow to Tokyo's space defence program, meant as a response to Pyongyang's military threat, they said. A Japanese H-2A rocket with two spy satellites on board appeared to have lifted off smoothly from a launch site on the southern island of Tanegashima some 1,000 kilometres (620 miles) southwest of Tokyo. But the space center decided to destroy the rocket and the satellites about 10 minutes after take-off after one of the two rocket boosters failed to separate from the fuselage in the second phase of the flight. "With the failure, international trust in Japan's space technology has been damaged considerably," Hideo Nagasu, former chief of Japan Aerospace Exploration Agency, told AFP. "The failure is seen in sharp contrast to China's remarkable success," Nagasu said. The satellite project, worth 250 billion yen (2.3 billion dollars), was intended as a response to the DPRK's firing of a suspected Taepodong ballistic missile over Japan into the Pacific Ocean in August 1998.

# 7. Taiwan-PRC Espionage

Agence France-Presse ("TAIWAN NABS ALLEGED PRC SPY AMID ESCALATING TENSIONS OVER REFERENDUM," 11/30/03) reported that Taiwan has seized a missile researcher for allegedly selling state-of-the-art military technology to the PRC in one of the worst espionage scandals ever cracked here, officials said. The arrest came as tensions between Taiwan and the PRC escalated after Taiwan parliament passed the island's landmark referendum law, which Beijing fears could pave way for Taiwan's independence. Huang Cheng-an, 55, a staff of the military-run Chungshan Institute of Science and Technology, was arrested Saturday night after he was questioned by investigators and a prosecutor, the defense ministry said. "Lured by Beijing's money, Huang has handed over some data of his unit to the PRC communists," it said. Initial probe also found that Huang, a graduate of Taiwan's air force academy, had attempted to conspire with local arms suppliers and Middle East agents to make "smart bombs" for sale to Egypt, it said. The attempt was botched after Huang failed to obtain the crucial technology, the ministry said. The defense ministry said relevant agencies have taken some damage-control measures, without providing details. Investigators are tracking down on the other suspects implicated in the alleged espionage.

### 8. Japan Iraq Troop Dispatch

Agence France-Presse ("KOIZUMI PRESSES AHEAD WITH TROOP DISPATCH AFTER IRAQ ATTACKS," 12/03/03) reported that Japanese Prime Minister Junichiro Koizumi lashed out at "indiscriminate" attacks in Iraq that killed two of the country's diplomats as a poll showed little public backing for sending troops. The premier stepped up his calls not to retreat in the face of terrorism from helping to rebuild Iraq, as Japan mourned its first casualties since the US-led war began on March 20. Seven Spanish intelligence agents, a Colombian, two Koreans and two American soldiers also died in a series of attacks over the weekend in what US commanders acknowledged was a deliberate attempt to intimidate America's allies. "There are even attacks against Iraqi people," Koizumi told reporters Monday. "They are indiscriminate." The perpetrators "don't want to allow Iraq to be rebuilt and want to cause chaos," Koizumi said. "We cannot flinch, or the whole world will be affected." However, the latest newspaper poll of 1,036 voters published Monday by the Mainichi Shimbun newspaper said only nine percent of Japanese voters supported dispatching troops "as soon as possible". A quarter of the respondents gave their answers after news of the diplomats' killings. Some 79 percent of those surveyed for the poll also believed Japanese military units would become targets of terrorism if dispatched to Iraq, the paper said. Japan has said it would

send troops to help with humanitarian and reconstruction tasks to non-combat zones in Iraq when the security situation allows.

# 9. Japan Iraq Diplomat Casualties

Agence France-Presse ("TWO JAPANESE DIPLOMATS KILLED AS THEY STOPPED EN ROUTE TO IRAQ AID MEETING," 11/30/03) reported that two Japanese diplomats killed in Iraq in a new blow to the US-led coalition were shot dead as they stopped at a food stall en route to Tikrit, Saddam Hussein's birthplace, where an aid conference was taking place, a US military spokesman said. "Two Japanese were killed as they stopped at a roadside food stall, four kilometres (two and a half miles) south of Mukayshifa on the afternoon of November 29," said Colonel Bill MacDonald, spokesman for the US 4th Infantry Division, which patrols the troubled region. "A Lebanese national was wounded in the same incident. "The three persons had stopped for food and drink when attackers fired small-calibre weapons at them. "The three were taken to a Tikrit hospital. The condition of the wounded individual is unknown," said MacDonald, speaking shortly before the opening of the aid conference at the fortified 4th Infantry Division's headquarters compound in Tikrit, 180 kilometers (110 miles) north of Baghdad.

### 10. ROK on Iraq Terrorist Attacks

Agence France-Presse ("SOUTH KOREA STANDS FIRM ON IRAQ, CONDEMNS 'INHUMAN' ATTACK," reported that the ROK said an "inhuman" attack that killed two of its civilians in Iraq would not derail plans to dispatch more troops to the war-torn country. The ROK's relief and rehabilitation work there would also continue, Foreign Minister Yoon Young-Kwan said Monday. President Roh Moo-Hyun condemned the attack that killed two ROK workers and badly injured two others on Sunday. "We have expressed concern about terrorism and clarified our position that terrorism must not be tolerated," said Roh. "The terrorist attack is unacceptable and inhuman behavior because it targeted civilians." The South Koreans were ambushed in their car on a highway near the Iraqi town of Tikrit, a stronghold of former dictator Saddam Hussein. The attack is seen as part of a campaign by Iraqi insurgents to weaken support for the US-led occupation of Iraq. Yoon said a ROK decision to send more troops to Iraq would not be affected by the killings. 11. Hussein-DPRK Missile Connection?

Agence France-Presse ("SADDAM HUSSEIN SOUGHT MISSILE ASSEMBLY LINE FROM NORTH KOREA," New York, 12/01/03) reported that Iraqi leader Saddam Hussein was trying to obtain an entire missile production line from the DPRK prior to the US-led invasion of Iraq, with Syria offering a transit route for delivery of the goods. Investigators now believe that Iraq was not only trying to purchase Rodong missiles from the DPRK, but also a complete missile assembly line, in what appears to be its most serious violation of UN resolutions discovered thus far. The report cited US officials and international investigators who gleaned the information from computers seized in Baghdad and from interviews of former members of Saddam's government. The investigators also believe that several rounds of negotiations for the deal took place in Syria, apparently with the knowledge of the Syrian government. The failed deal was first revealed in early October by US weapons expert David Kay, head of the US-created Irag Survey Group (ISG) which is hunting for weapons of mass destruction in Iraq. Earlier reports said the DPRK never delivered on its side of the deal, effectively fleecing Saddam Hussein of a 10-million-dollar down payment that he had made. "The Iragis actually advanced the North Koreans 10 million dollars. In late 2002, the North Koreans came to the Iraqis as a result of the Iraqis' inquiry: 'Where is the stuff we paid for?'" Kay related. The North Koreans said "'Sorry, there's so much US attention on us, that we cannot deliver it." When the US-led invasion of Irag started on March 19, the North Koreans were still refusing to give back the

### 12. ROK Domestic Economy

Reuters (Oh Jung-hwa, "SOUTH KOREA EXPORTS SOAR IN NOVEMBER," Seoul, 12/01/03) reported that the ROK issued robust export growth and tame inflation figures on Monday, but analysts said slow import growth signaled weak consumer spending was still holding the economy back. Driven by strong offshore sales of cars, computers and mobile phones, exports grew 22.5 percent in November from a year earlier, while imports rose 12.6 percent, the Commerce Ministry said. It said export growth in the year through November was expected to be sustained in December data but analysts said weak domestic demand would prompt the central bank to keep interest rates at record lows. The trade surplus was \$2.86 billion -- its highest in nearly five years and more than double the \$1.2 billion surplus in November last year. The government's statistics agency reported consumer prices unexpectedly fell slightly in November from the previous month, as food prices dropped. Core inflation hit a three-year low in the year through November. The soft inflation trend, combined with weak consumer spending, meant analysts saw no reason for the central bank to raise its key overnight call rate from 3.75 percent at a monthly review next week.

### 13. US State Department on Bolton

USA Today (Barbara Slavin and Bill Nichols, "BOLTON A 'GUIDED MISSILE," Washington, 12/01/03) reported a State Department colleague called John Bolton a "guided missile." The comment is both criticism and a grudging compliment for one of the Bush administration's most outspoken hawks, a man more powerful than his rank as one of seven under secretaries at the State Department would suggest. Like a missile, Bolton has force, direction and often achieves his objectives, even if there is collateral damage. As the troubled US occupation of Irag continues to sharpen debate about President Bush's approach to foreign policy, Bolton - a controversial veteran of the Reagan and first Bush administrations - is widely seen in Washington as a central influence on Bush's tough-talking, black-and-white view of the world. At the State Department, Bolton, 55, is viewed as something of an exotic specimen: a committed, argumentative, conservative ideologue who relishes being blunt. Diplomats traditionally view the world as a place where a web of international organizations and treaties preserve the peace. Bolton sees a more dangerous realm where agreements are unreliable and survival of the fittest rules. He is mistrustful of a treaty-based approach to arms control. He is suspicious of world bodies such as the United Nations. "The (U.N.) Secretariat building in New York has 38 stories. If it lost ten stories, it wouldn't make a bit of difference," he once said. A former litigator whose intellect has won reluctant admiration even from his opponents, Bolton believes the best way to deal with rogue nations such as Iran, the DPRK or Cuba is to change their governments, not to bargain with them. Asked about him, Secretary of State Colin Powell was complimentary. He "has done a great job for us," Powell said. A high-level State Department official says Powell and Bolton get along well but that there is "a bit of kidding" at morning staff meetings. "Everyone knows John has strong views," the official says. In private, Bolton's colleagues can be scathing. One high-level co-worker calls Bolton an anti-diplomat who tries to intimidate those who disagree with his views. Another diplomat insists no one in the department dares criticize Bolton on the record because he obviously has support at the highest levels of the administration. Despite his often blunt public pronouncements, he's never publicly chastised or contradicted, the diplomat says. Bolton was named to his position after he helped Bush on his legal case during the 2000 Florida recount. Powell is said to have accepted Bolton on the theory that he could control him and that Bolton would serve as insurance against right-wingers elsewhere in the administration. Instead, Bolton has reinforced their views. Much of the criticism of Bolton involves his opposition to a nuclear weapons deal with the DPRK. Others say Bolton should not be criticized

for pushing his views in a dysfunctional administration that has trouble producing unified policies. "The whole argument against Bolton on North Korea presupposes that the administration has a position on North Korea, and it's not clear to me that they do," says Nicholas Eberstadt, a Korea expert at AEI.

### 14. Bolton on Nuclear Weapons and Rogue States

Under Secretary for Arms Control and International Security John R. Bolton made the following remarks at the Conference of the Institute for Foreing Policy Analysis at the Fletcher School of International Security Studies Program on December 2, 2003.

With regard to North Korea, President Bush's objective is quite clear: the US seeks the complete, verifiable, and irreversible dismantlement of North Korea's nuclear programs. We seek to bring this about, as we have said repeatedly, through diplomatic dialogue in a multilateral framework involving those states with the most direct stakes in the outcome. Other states may yet be involved as appropriate. The DPRK nuclear program is not a bilateral issue between the US and the DPRK. It is a profound challenge to regional stability, and to the global nuclear nonproliferation regime. We look forward to the earliest resumption of the next round of six-party talks. Secretary Powell has repeatedly emphasized a special thanks to the People's Republic of China for the work that they have done to encourage North Korea to come to the negotiating table. At those talks, we hope to make tangible progress toward the goal of a nuclear weapons-free North Korea. We are prepared to provide a written document on security assurances to Pyongyang with other participants in the talks. Such assurances can only be provided, however, in the context of agreement and implementation of an effective verification regime that would provide assurances to us that the DPRK will not reconstitute its nuclear program. For the US, irreversibility is a paramount goal. We are determined that bad behavior on the part of North Korea will not be rewarded. North Korea will not be given inducements to reverse actions it took in violation of its treaty commitments and other international obligations. Moreover, attempts to delay or postpone the six-party talks simply because one or more of the parties wishes to raise issues of vital concern should be rejected. Japan, for example, feels strongly that it should have the right at least to raise the issue of DPRK abductions of Japanese citizens over the years. For Japan, this is a fundamental issue, and Japan's desire to raise it should be respected. Japan's participation in the six-party process is essential. Whether North Korea yet understands these fundamental precepts of American policy remains to be seen. As in the case of Iran, of course, the Security Council is another logical venue in which to discuss the threat to international peace and security represented by the DPRK's nuclear weapons program. To date, China, supported by Russia, has argued that the DPRK issue is better handled in the six-party context rather than the Security Council, and we have agreed. Similarly, France, the United Kingdom and others urged recently that the case of Iran not be reported to the Security Council, and we agreed to that, too. Of course, we hope that the other four Permanent Members of the Security Council are aware of the long-term implications of these decisions, as we are. Policies intended to bring about the termination of the Iranian and DPRK nuclear weapons programs, which result in reducing the Council's role under the Charter, would be truly unfortunate and ironic.

To read the full transcript: http://www.state.gov/t/us/rm/26786.htm

# II. People's Republic of China

### 1. US Security Policy

People's Daily (Tan Weibing and Yan Feng, "US WILL MEETS SHORT-TERM SECURITY NEEDS BY STRIKES," Washington, 11/27/03, P3) reported that US President George W. Bush said on November 25 that US will meet its short-term security needs by military strikes in regions such as Iraq. He said US will continue sending democracy and freedom to Iraq and Afghanistan. The US will not only help those countries people, but also render the US itself more security and the world more peace, according to Bush in the report.

#### 2. US on Taiwan Issue

China Daily (Xiao Xing, "US CAUTIONS TAIPEI SEPARATISTS," 11/28/03, P1) reported that US has warned Taipei not to include the topic of independence in its referendum law or plan to write a constitution, according to a senior US official. In an interview with Hong Kong-based Phoenix TV, the unidentified White House official said the Bush administration has sent a clear message to Taiwan that it does not want the island to make any pro-independence moves or take any steps aimed at Taiwan independence. The US has made it clear that such moves by Taiwan would be very dangerous, the official said. He added that Washington will firmly oppose any Taiwanese move that involves independence issues. The official stressed that the US sees creating conditions for cross-Straits dialogue as a very important task, because peaceful ties are in the US's best interests.

#### 3. PRC's Stance on Taiwan Issue

China Daily (Xing Zhigang, "BEIJING CENSURES PASSING OF REFERENDUM LAW," 11/29-30/03, P1) reported that Beijing has signaled strong opposition to Taipei's passage of a referendum law that finally creates a legal basis for a future plebiscite on independence. Although the bill falls short of allowing the Taiwan authorities to easily call an independence vote, it does give the island leader the power to hold an independence referendum in case of an "external threat." "We firmly oppose anybody who attempts to engage in separatist activities through referendum legislation," the Taiwan Affairs Office of the State Council said in a written statement on November 28. The office said the mainland has been deeply concerned over the referendum legislation and will continue to keep a close watch on developments. The top government body in charge of cross-Straits ties had pledged before the poll to respond with tougher action if Taiwan passed "a referendum law without restrictions." The "defensive referendum" clause, which spells out the possibility of a future independence vote, prompted the Taiwan Affairs Office to reiterate Beijing's long-standing one-China principle.

China Daily (Xing Zhigang, "LEGAL LOOPHOLE OPPOSED," 11/28/03, P1) reported that Taiwan lawmakers on November 27 passed a watered-down bill put forward by the opposition Kuomintang Party and People First Party by 113 votes to 94. Under the new law, the legislature can block referendums on issues involving the "constitution" and sovereignty issues. But the bill gives the island leader the power to hold an independence referendum in case of "external attacks." The measure, part of a bigger referendum law, was passed with a 106-80 vote. The whole bill excludes future referendums on issues such as changing the island's name, anthem, flag and "constitution." The poll, called a "defensive referendum," would be held if the mainland tries to use force to make Taiwan agree to its demands to unify. As proof of the uncertainty caused by the vote, the island's jittery stock market closed 2 per cent lower amid fears the referendum proposal would fuel new tensions in cross-Straits ties, said the report.

China Daily (Xing Zhigang, "REFERENDUM BILL PROMPTS TOUGHER TALK," 11/27/03, P1) reported that Beijing has pledged to respond with tougher action if Taipei passes a law allowing the island to hold a referendum, creating a legal basis for Taiwan independence. Zhang Mingqing,

spokesman with the Taiwan Affairs Office of the State Council, said on November 26 the mainland strongly opposes any law containing clauses allowing alterations to the island's name, flag, anthem and territory by means of referendum. Zhang declined to elaborate on what measures Beijing would take, but said "all will be known in days," as the law is expected to be passed today or tomorrow. Zhang, however, did refer to a government white paper issued in 2000, "One-China Principle and the Taiwan Issue," to demonstrate Beijing's determination to curb any scheme to divide China. In an interview with the Washington Post on Friday, Premier Wen Jiabao said Beijing will "pay any price" to block Taiwan independence. The latest warning comes as Taiwan's "legislative yuan," or the top legislature, is meeting to work on the passage of the referendum law. A draft law presented by the pro-independence Democratic Progressive Party, led by Taiwan leader Chen Shui-bian, has proposed to hold referendums on the island's independence. Beijing considers the legislative procedure is a move to create legal grounds to split the island from China. Zhang accused Chen of taking advantage of the legislation to serve his separatist attempt to establish the "republic of Taiwan." At the press conference, Zhang also warned that heightened tension in cross-Straits ties could "temporarily and partially" affect bilateral economic and trade exchanges. However, Zhang reiterated Beijing's long-standing principle up to now of "not letting political disputes affect and interfere with cross-Straits economic co-operation."

### 4. PRC-Japan Relations

China Daily (Cao Desheng, "4 CHINESE SUE JAPANESE," 11/28/03, P1) reported that four Chinese forced to work as slave laborers by Japanese invaders between 1937 and 1945 flew to Japan on November 27 to sue the Japanese Government and the Mitsubishi Corp. Also acting on behalf of another six victims, they are expected to file a formal lawsuit today at the Nagasaki District Court against the government and the Mitsubishi conglomerate for forcing them to work in slave-like conditions during the War of Resistance against Japan. They will ask the Japanese Government and the Mitsubishi Corp to acknowledge the fact that they captured and maltreated the Chinese labourers, apologize to the victims and their relatives and pay compensation, Chinese lawyer Chen Yanjiang told China Daily yesterday. In addition, they will urge memorial halls be built in China and Japan in memory of the victims, Chen, a lawyer with Shijiazhuang-based Sanhe Shidai Law Firm in North China's Hebei Province, said in a telephone interview. This is the 24th appeal the Chinese civilians have lodged against the Japanese Government although Japan has ignored demands for compensation for atrocities committed during their invasion of China.

### 5. PRC-US Relations

China Daily (Jiang Zhuqing, "FM:TAIWAN QUESTION TO HEAD WEN'S US VISIT," 11/26/03, P1) reported that as the most important and sensitive issue in the Sino-US relationship, the Taiwan question will be high on the agenda between Premier Wen Jiabao and US leaders during his upcoming visit to the US, according to the Foreign Ministry. Wen will discuss bilateral relations and other major international issues of concern when meeting US President George W. Bush and other US leaders, ministry spokesman Liu Jianchao said. He will also attend several functions in Washington DC, New York and Boston during his December 7-10 stay. The ministry spokesman also said consultations leading up to the second round of six-party talks covering the nuclear issue on the Korean Peninsula have so far been beneficial.

China Daily (Li Jing, "US DUTIES ON CHINESE IMPORTS CRITICIZED," 11/28/03, P2) reported that PRC has expressed its dissatisfaction with US restrictions on Chinese textile imports and dumping duties on its colour television imports, said Foreign Ministry spokesman Liu Jianchao on November 27 in Beijing. He said the move came at a time when the US Government and its leaders had

repeatedly expressed their wish to discuss trade issues with PRC. China considered some trade friction normal given Sino-US trade ties are developing so rapidly. "China hopes the trade issue can be handled properly through dialogue and consultation on an equal footing. Any unilateral actions are not constructive and will not help resolve the disputes," said Liu.

# 6. PRC's Commentary on DPRK Issue

China Daily (Wu Yixue, "DPRK ISSUE REQUIRES DIFFERENT APPROACH," 11/25/03, P4) carried a commentary saying that the Korean Peninsular Energy Development Organization (KEDO) announced on November 21 that the construction of two light-water reactors in the DPRK will be suspended for one year, starting from December 1. At the critical juncture when positive signs are emerging for the settlement of the nuclear crisis on the Korean Peninsula, KEDO's suspension announcement is pouring cold water on a thawing situation. The US has consistently pushed KEDO to completely stop its construction of the two reactors, but other KEDO members, especially the ROK and Japan, were concerned that the decision would provoke some extreme reactions from the DPRK. This latest decision was the result of compromise between the United States and other KEDO members after the body held a private consultation earlier this month. Given the complication of the nuclear crisis on the Korean Peninsula and the lack of mutual trust between the US and the DPRK, KEDO's decision will undoubtedly cast a shadow over international efforts to settle the long-standing and complicated nuclear standoff. The possibility for the second round of talks has been on the increase since October, when US President George W. Bush promised a written security guarantee to the DPRK at the Asia-Pacific summit meeting and Pyongyang in turn gave up its long-held demand that a non-aggression treaty should be signed with the US. On the eve of the next round of talks, the assumption that KEDO's decision was a US move to press the DPRK for more concessions is not groundless, the article commented.

# 7. PRC's Commentary on Japan's Military Ambitions

China Daily (Hu Xuan, "JAPAN PURSUES MILITARY AMBITIONS," 11/26/03, P4) carried a commentary. In a controversial move that would overturn a longstanding ban on weapons exports, Japan's Defense Agency has signaled it wants to jointly manufacture missile parts with the US. The two countries are currently trying to produce a more effective system than the SM3 that would be able to destroy a wider range of incoming ballistic missiles more quickly. This would require revising Japan's current ban on arms exports, which was adopted by the Japanese Government in 1976. And the Japanese Government is again exaggerating the so-called threats posed by neighboring countries to realize its long pent-up military ambitions. In the annual white paper released by its Defense Agency in early August, the Japanese Government stressed the importance of a missile defense system against alleged nuclear threats from the DPRK. Therefore, Japan argued that the collaboration with the US on the research and deployment of a missile defense shield is a justifiable means of self-defense and also a deterrent to any future threats. But this justification is unconvincing, the article said. The possibility of the DPRK launching a military attack against its economically and militarily much stronger neighbor is slim. The possibility of the peaceful resolution to the nuclear crisis on the Korean Peninsula through development and deployment of more sophisticated weaponry is also extremely slim. What Japan really needs to rethink is its security policies on expanding its international presence rather than its current ban on the export of weapons, the article commented.

### 8. Japan's Domestic Politics

China Daily ("PM'S ABILITY TO REFORM DOUBTED," Tokyo, 11/27/03, P11) reported that with Parliament open for a special session, Japan's main opposition party has been grilling Prime Minister Junichiro Koizumi relentlessly. For days, they have demanded that he and his Cabinet ministers explain their positions on such touchy topics as sending troops to Iraq and imposing sanctions on the DPRK. Bouyed by big gains at the polls earlier this month and growing doubts over Koizumi's effectiveness, the Democratic Party of Japan is on a roll. But, analysts say, they will have to prove themselves.

#### 9. US-ROK Relations

China Daily ("US SAYS TROOP NUMBERS NOT UP FOR DISCUSSION," Seoul, 11/26/03, P11) reported that the US military said on November 25 it is discussing the realignment of troops on the Korean Peninsula with the ROK Government but that no talks are under way to cut deployment levels. Washington is considering "many options" for troop realignment and both sides have agreed to move US troops out of the Seoul metropolitan area, US Forces Korea said in a statement. But neither government is "discussing any reductions in force levels at this time," it said. The statement comes a day after a report on the Washington Times Web site said the US will transfer some of its 37,000 troops in the ROK to Iraq or Afghanistan.

# 10. Six-party Talks

China Daily (Jiang Zhuqing, "FM: TAIWAN QUESTION TO HEAD WEN'S US VISIT," 11/26/03, P2) reported that PRC hopes that through the efforts of all parties, they can be held at an early date and progress can be made, Chinese Foreign Ministry spokesman Liu Jianchao said. Also, Liu revealed that Vice-Foreign Minister Wang Yi and the Director of the Asian Affairs Department of the Foreign Ministry, Fu Ying, met the visiting Director of the Russian Foreign Ministry's No 1 Asian Department, Yevgeny Afanasyev, on November 17. Liu said PRC and Russia discussed preparations for the six-party talks.

### 11. Japan's Abandoned Chemical Weapons

China Daily ("CHEMICAL WEAPONS POSE RISK," Tokyo, 11/29-30/03, P8) reported that large stashes of chemical weapons abandoned at the end of World War II and left unwatched in dozens of locations around Japan pose a far more serious threat to residents than previously thought, according to a government study released on November 28. "We have to take appropriate measures," Chief Cabinet Secretary Yasuo Fukuda told reporters after the study was announced. He did not give any details, however. The survey was conducted to re-examine the findings of a similar report issued 30 years ago following several poisoning incidents earlier this year. In the most serious, almost 20 residents in the town of Kamisu, near Tokyo, developed health problems after drinking well water contaminated by arsenic believed to have leaked from an abandoned military stockpile. The town had a military airfield and research lab at which chemical weapons are believed to have been stored, officials said. Japan has said the disposal was a military secret and that many documents on its chemical warfare were destroyed when the war ended. But on November 28, the agency said it now believes chemical weapons were stored and dumped at more than twice as many locations as previously thought.

# III. CanKor E-Clipping Service

### 1. Issue #144

US Senators introduce "The North Korea Freedom Act of 2003. If enacted, the legislation will establish human rights as a priority item in all US-DPRK negotiations. It also while also provides for assistance to North Korean refugee- defectors, including asylum in the USA. Two months after his return from exile in Germany, South Korea's best-known overseas dissenter, Song Doo-yul, is being accused by ROK intelligence of leading a double life as Kim Chul-su, an alternate member of North Korea's politburo. Contrary to expectations, ROK reaction is muted, with President Roh Moo-hyun suggesting the man should be treated with leniency. Leniency and decreased counterintelligence efforts on the part of the current ROK administration are being exploited by the North Korean government, warn US military officials. Fewer DPRK agents, spies and saboteurs are being uncovered, and those who are caught are often freed by the government. This week's FOCUS, "Espionage and the Koreas," explores manifestations of fear and suspicion among North Korea's opponents, as well as the struggle for recognition and compensation by former South Korean secret agents sent North for the purpose of espionage and assassination.

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.

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