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## CONTENTS

### I. [United States](#)

1. [US-DPRK Relations](#)
  2. [DPRK Economy](#)
  3. [Taiwanese Participation in APEC](#)
  4. [Illegal Missile Parts Sales to PRC](#)
- ### II. [Republic of Korea](#)
1. [Russia-DPRK Summit](#)
- ### II. [Japan](#)
1. [Kim Jong-il's Visit to PRC](#)
  2. [Japanese View on US Policy toward DPRK](#)
  3. [Japanese-US Talks on DPRK](#)
  4. [Japanese-US Base Talks](#)
  5. [Japanese Cabinet](#)

## I. United States

### 1. US-DPRK Relations

The Associated Press (Claude E. Erbsen and Christopher Torchia, "N. KOREA MAY SEEK BETTER US RELATIONS," Seoul, 2/2/01) reported that ROK President Kim Dae-jung said in an interview on Friday that the DPRK now views the US as a vital means of guaranteeing its own survival. Kim said that DPRK leader Kim Jong-il wants to boost ties with the US to bolster his country's national security and help restore its economy. Kim Dae-jung said, "As far as I could see, North Korea's greatest goal is to improve relations with the United States. Toward that end, it has shown flexibility over its missile issue, it has kept to its nuclear freeze pledges. There are problems still remaining between the two sides, but basically I believe that North Korea very much wants to improve things with the United States. We are promoting tension reduction on the one hand and exchanges and cooperation on the other hand with North Korea. The exchanges have not been brought up to a full-fledged speed yet. North Korea cannot sustain itself without change. Without doing things differently, without getting cooperation and assistance from South Korea and the United States and

the rest of the world, it cannot get out of this terrible situation. I think it sees the Chinese models and others like it as perhaps the way for it to go as well." Regarding Kim Jong-il's pledge to visit Seoul, the ROK president said, "The visit will take place within this year. That's for certain."

## **2. DPRK Economy**

Reuters ("SEOUL SAYS NORTH KOREA LIKELY TO FOLLOW CHINA MODEL," Seoul, 2/2/01) reported that ROK unification ministry spokesman Chung Kang-kyu said Friday that DPRK leader Kim Jong-il's visit to the PRC last month is likely to spur the DPRK to experiment with Chinese-style economic development. Chung said, "Kim Jong-il's tour in China in January would have a great impact on North Korea's economic policies, directly and indirectly. That perception underscored our report on North Korea." The ministry report said that the DPRK was likely to set up free economic zones this year in cities such as Nampo and Kaesong, and attempt to revitalize a special economic zone for foreign investors established in the Rajin-Sonbong area in the early 1990s. Ministry officials said that any such moves by the DPRK would need cooperation from the ROK and international organizations like the World Bank and Asian Development Bank.

## **3. Taiwanese Participation in APEC**

Agence France Presse ("CHINA SAYS TAIWAN WILL HAVE FULL PARTICIPATION IN APEC MEETINGS," Beijing, 2/2/01) reported that the PRC said on Friday that Taiwan will enjoy full participation in this year's meetings of the Asia Pacific Economic Cooperation (APEC) forum. Wu Hailong, the foreign ministry's top official in charge of APEC, said, "According to the information I have, Chinese Taipei (Taiwan) is going to send a 36-member strong delegation to participate in the summit. That's perhaps one of the largest Taiwanese delegations ever." He said that during a preparatory meeting on this year's meetings in the PRC, Taiwan had sent a delegation of four, including a ranking official. Wu said, "Therefore, you can make your own judgment whether we are going to impose any limitations on the participation by Chinese Taipei." The PRC also said on Friday that it was still unclear if the DPRK would participate in this year's APEC meetings. Wu reiterated that the DPRK will not be able to become a full APEC member at least until 2007, "But if North Korea asks to participate in related APEC activities, I believe it will be welcomed by APEC members."

## **4. Illegal Missile Parts Sales to PRC**

Agence France Presse ("BUSINESSMAN TRIED TO SHIP U.S.-MADE MISSILE-GUIDING GYROSCOPES TO CHINA," Boston, 2/2/01) reported that Yao Yi, president of Lion Photonics, Incorporated, of Beijing, admitted in US District Court on February 1 that he violated the Arms Export Control Act by attempting to arrange for sophisticated US-made fiber optic gyroscopes to be shipped to the PRC. US Government prosecutors told the court that the gyroscopes are used in missiles, so-called "smart bombs," and aircraft guidance systems, and their export is prohibited without first obtaining approval of the US State Department. According to prosecutors, Yao and Canadian citizen Colin Xu conspired to ship the gyroscopes to the PRC through Xu's now-defunct Canadian firm, Lion Photonics/Canada.

# **II. Republic of Korea**

## **1. Russia-DPRK Summit**

The Korea Herald (Shin Yong-bae, "SEOUL-MOSCOW SUMMIT TO PRECEDE VISIT BY N.K. LEADER KIM TO RUSSIA," 2/2/01) reported that ROK Ambassador to Russia Lee Jai-chun said on February 1 that summit talks between the ROK and Russia will precede the planned visit by DPRK leader Kim Jong-il to Russia. Lee said, "It is becoming a fait accompli that Kim will visit Russia some time in the first half of this year after Putin makes a trip to South Korea later this month." Russian officials reportedly said on January 31 that Russia and the DPRK had fixed the dates for Kim's visit, but declined to reveal when. Speculation in the ROK has it that Kim will likely visit Russia in March or April. Lee said the purpose of Kim's visit to Russia is to consolidate their support for a policy of reconciliation and cooperation with the ROK. Lee disagreed with some ROK views that Kim's trip to Russia is intended to seek a three-way alliance including the PRC to stand up to expected challenges from the new US administration. He stated, "It is true that Russia and China have different positions from that of the United States over some international issues. But we don't need to interpret his visit to Russia as an attempt to form a bloc." [Ed. note: This article was included in the US Department of Defense's Early Bird news service for February 2, 2001.]

## **II. Japan**

### **1. Kim Jong-il's Visit to PRC**

The Sankei Shimbun (Ruriko Kubota, "KIM JONG-IL AIMS TO BUILD SHANGHAI-LIKE HIGH-TECH CITY," 02/02/2001) reported that according to PRC-DPRK diplomatic sources, DPRK leader Kim Jong-il told PRC President Jiang Zemin that Kim intends to construct a high-tech city in the DPRK modeled on Shanghai. The report also said that Kim surprised PRC officials by visiting the Shanghai Stock Exchange twice. Kim was also heard to say to the Workers' Party officials and People's Army officials who accompanied him, "Let's build skyscrapers. China has succeeded in economic reforms. Why have we failed?" The report added that the PRC side generally took Kim's words during his visit as indicating that Kim is now determined to conduct economic reforms and that Kim's turning to the PRC model of economic reform and opening proves the PRC model to be the right track.

The Asahi Shimbun ("AMBASSADOR EMPHASIZES JAPAN-US-ROK COOPERATION FOR STABILITY OF KOREAN PENINSULA," 01/31/2001) reported that Japanese Ambassador to the ROK Terusuke Terada told the Asahi Shimbun that DPRK leader Kim Jong-il's recent visit to the PRC indicates that the DPRK is beginning to introduce "new thinking" in economic reform by modeling the PRC approach to economic reform and opening. Terada stated, "The fact that the DPRK is openly reporting Kim Jong-il's visit to factories in Shanghai indicates how serious the DPRK is (about economic reform).... I assume that the DPRK may intend to construct a mini-Shanghai (economic development) area in Kaesong, which is close to the Demilitarized Zone (DMZ), and introduce ROK investments."

### **2. Japanese View on US Policy toward DPRK**

The Asahi Shimbun ("AMBASSADOR EMPHASIZES JAPAN-US-ROK COOPERATION FOR STABILITY OF KOREAN PENINSULA," 01/31/2001) reported that Japanese Ambassador to the ROK Terusuke Terada told the Asahi Shimbun that given the George W. Bush administration's cautious approach to the DPRK, continued close cooperation among the US, the ROK and Japan is important for stability on the Korean Peninsula. The report said that Terada sees the importance of Secretary of State Colin Powell's statement that US-ROK-Japanese cooperation is essential for stability on the Korean Peninsula. Given this, Terada said, "Disagreement among the three countries (the US, the ROK, and Japan) would create room for the DPRK to put a wedge between us."

### **3. Japanese-US Talks on DPRK**

The Asahi Shimbun ("US ALSO RECOGNIZES SUSPICIONS OF DPRK ABDUCTION OF JAPANESE CIVILIANS," 01/28/2001) reported that US National Security Chief Advisor Condoleeza Rice told Japanese Foreign Minister Yohei Kono on January 26 that the US also recognizes the abduction issue between Japan and the DPRK and that the US would bring up the issue in future US-DPRK talks. Rice made this statement in response to Kono's request, "There is the issue of abduction between Japan and the DPRK. We really want the US to understand this."

### **4. Japanese-US Base Talks**

The Daily Yomiuri (Riichiro Maeki, "KONO, POWELL AGREE TO STRENGTHEN ALLIANCE," 01/28/2001) reported that Japanese Foreign Minister Yohei Kono and US Secretary of State Colin Powell agreed on January 26 to promote substantive policy talks to strengthen the alliance between Japan and the US. Kono asked for the US government's understanding over the return of the US Futenma Air Station in Okinawa Prefecture. Kono stated, "In Okinawa Prefecture, there are voices demanding a reduction in the presence of the US Marine Corps, and we need to respond to the feelings of residents of the prefecture." The report said that Kono's remarks were based on the fact that in its 2001 defense report issued last month, the Pentagon deleted a phrase stating that it would maintain its current strength of 100,000 military personnel in East Asia. Powell responded that he wanted to closely discuss troop deployments and other military issues, including troops stationed in Okinawa Prefecture, based on the 1996 Japan-US joint security declaration. The report added that the joint declaration said that Japan and the US would discuss the US military structure in East Asia and set out a commitment to integrate and reduce US military facilities in Japan.

### **5. Japanese Cabinet**

The Daily Yomiuri ("POLL: DISAPPROVAL RATING OF CABINET HITS 70.4%," 01/30/2001) reported that the disapproval rating of Japanese Prime Minister Yoshiro Mori's Cabinet rose to 70.4 percent in the latest Yomiuri Shimbun poll, an increase of 0.5 percentage points from the previous survey in December 2000. The poll also showed that the approval rating of the Cabinet has declined for the third month in row to 19.2 percent, down 0.9 percentage points from last month's survey. Conducted over the weekend, the survey polled over 3,000 eligible voters nationwide in face-to-face interviews. Of those surveyed, 1,916, or 63.9 percent, responded. The approval rating of the Liberal Democratic Party (LDP) also decreased for the third straight month to 25.2 percent, down 2.1 percentage points from the previous survey. The drops in both the Mori Cabinet and the LDP approval ratings are believed to be in response to a series of recent scandals. The Mori Cabinet's approval rating in the latest survey was the second lowest, following the 18.4 percent recorded in a similar poll in November. As for the approval ratings of political parties, the approval rating of the LDP was 47 percent, slightly higher than its disapproval rating of 44.9 percent. About 60 percent of the supporters of LDP coalition partner New Komeito said they did not support the Mori Cabinet, while 26.9 percent responded they did, down from 28.6 percent in a December poll. Asked why they did not support the Cabinet, the largest portion, at 46 percent, said they could not trust the prime minister, followed by 40 percent who replied they did not back the Cabinet's political stance. As for reasons given in support of the Cabinet, the largest number, at 31 percent, said it was because the Cabinet is a coalition of the LDP, New Komeito and Hoshuto (New Conservative Party). Meanwhile, the LDP's approval rating has dwindled by 6.3 percentage points over the past three months, from 31.5 percent in an October survey. The rate of support for Minshuto (Democratic Party of Japan) also declined by 0.5 percentage point from the previous survey to 10.8 percent, while the approval rating for New Komeito was 4.2 percent, up 0.6 percentage point from the previous survey. Those who do

not support any particular political party accounted for 48.2 percent of respondents, up 1.5 percentage points from the December poll.

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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