NAPSNet Daily Report 05 December, 1997

Recommended Citation

"NAPSNet Daily Report 05 December, 1997", NAPSNet Daily Report, December 05, 1997, https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-05-december-1997/

IN TODAY'S REPORT:

I. United States

- 1. DPRK Famine
- 2. Search for Remains of US MIAS
- 3. ROK Financial Crisis
- 4. Global Land Mine Ban
- 5. Taiwan-PRC Relations
- 6. Taiwanese Comfort Women

II. Republic of Korea

- 1. Light-Water Reactor Project
- 2. ROK Financial Crisis
- 3. ROK Military Development
- 4. ROK-US Defense Talks
- 5. ROK-Japan Fishery Talks

III. Announcements

- 1. New Publication on ROK Elections
- 2. Korean-American Organization Sends Aid to DPRK

I. United States

1. DPRK Famine

United Press International (Jonathan Wallace, "CARTER: LIFT NORTH KOREA SANCTIONS," London, 12/04/97) reported that former US President Jimmy Carter on Wednesday said that sanctions against the DPRK should be lifted to alleviate famine. Carter added, "We should get together with South Korea and Japan and other neighboring states to provide really generous food aid, without any strings. I fear that if we do not, the North Koreans may be so backed into a corner that they will mobilize for war."

Reuters (Scott Hillis, "U.N. SAYS NORTH KOREAN WINTER THREATENS MALNOURISHED CHILDREN," Beijing, 12/04/97) and the Associated Press (John Leicester, "UN WARNS OF N. KOREA FOOD SHORTFALL," Beijing, 12/04/97) reported that Douglas Coutts, the UN World Food Program (WFP) country director for the DPRK, said on Thursday that the DPRK probably has enough food to stave off famine for a few months, but the coming winter will threaten children weakened by malnutrition. "The combination of food shortages, already existing malnutrition, ... lack of pharmaceutical supplies and the harshness of the winters in North Korea could lead to disastrous consequences," Coutts said. He stated that drought and tidal waves cut the autumn grain harvest in the DPRK to just 1.14 million tons, about half of what had been expected, and far below the 4.6 million tons needed to survive the coming year. He added that the DPRK put the entire harvest into its centrally controlled distribution system, which together with hundreds of thousands of tons of food assistance from the WFP and other aid groups boosted daily grain rations to 400 g per person per day from a previous low of 100 g. He said, "This is not a famine in the classic sense of the word. It's a very slow, gradual, building situation. It's becoming worse." Coutts stated that a non-scientific survey by WFP officials in the DPRK had concluded that malnutrition was afflicting every child under six years old. "The high prevalence of stunting that we have found... suggest that all children have suffered from food deficits for a considerable length of time," he said. More food aid would be needed next March, Coutts said, but added, "This is a band-aid approach. This is a long-term problem that the [DPRK] government has to deal with on their own terms."

2. Search for Remains of US MIAS

The Associated Press ("US, N.KOREA TALK ABOUT AMERICAN GIS," Washington, 12/03/97) and Reuters ("US, NORTH KOREA DISCUSS MIA SEARCHES," Washington, 12/04/97) reported that US and DPRK officials met in New York Wednesday to discuss the terms under which a Defense Department team would resume its search in 1998 for remains of US servicemen killed in the Korean War. The talks are expected to last at least three days. In a brief statement, the Defense Department said that US officials also will press the DPRK for access to four US soldiers who defected to the DPRK in the 1960s.

3. ROK Financial Crisis

The Washington Post (Paul Blustein, "SEOUL AID SURPASSES $60 BILLION," 12/05/97, G01), the Associated Press (Paul Shin, "S. KOREA BAILOUT MAY EXCEED $60B," Seoul, 12/05/97) and the Wall Street Journal ("CONDITIONS FOR KOREA'S IMF PLAN MEAN SWEEPING ECONOMIC CHANGES," 12/04/97) reported that the board of the International Monetary Fund (IMF) formally approved a US$21 billion line of credit for the ROK. The IMF and the ROK government also released details of the conditions for the aid, which include opening the banking sector to increased foreign competition and raising the ceiling on foreign ownership of publicly held companies to 50 percent from 26 percent. The ROK also would allow ROK companies to borrow abroad directly instead of through ROK banks. The IMF said that US$5.56 billion of its funds would be made available to the ROK immediately, with subsequent disbursements contingent on the ROK's adherence to the conditions. Meanwhile, ROK Finance Minister Lim Chang-yuel said early Friday that the Netherlands, Belgium, and Sweden had offered to join several other countries in the IMF-led rescue, raising the total resources pledged to more than US$60 billion. ROK officials and analysts said that up to 1.5 million ROK citizens will be out of their jobs by next year as a result of the reforms. Meanwhile ROK political parties are reportedly discussing suspending the prohibition on the use of falsely named bank accounts, which is being blamed for contributing to the financial sector's liquidity problems by forcing money underground.

4. Global Land Mine Ban

The New York Times (Francis X. Clines, "RIGHTS GROUP ASSAILS U.S. ON LAND MINES AND TIES WITH CHINA," Washington, 12/05/97) reported that Human Rights Watch in its annual report released Thursday accused the Clinton administration of arrogance and "active obstruction" in its policies toward the global land mine ban. In response, US State Department spokesman James P. Rubin said that there was "no question" that the US was a world leader in fighting the land mine problem, despite some reservations about the new treaty.

The Washington Post carried an opinion article by US Senator Patrick Leahy, D-VT, ("THE GROWING CONSENSUS ON LAND MINES," 12/05/97, A27) which argued that the US will eventually join the global ban on land mines. Noting the Clinton administration's October 31 announcement that it plans to lead a global demining effort, the article stated, "just as banning land mines is no substitute for demining, neither is demining a substitute for a ban. We can do both without risking our security." The author argued that, given the US Defense Department's concern that removing anti-personnel mines on the Korean peninsula would allow DPRK soldiers to disarm anti-tank mines, "the only thing blocking eventual U.S. participation in the treaty is the technical problem of protecting anti-tank mines from tampering." The article pointed out that the department's own war games show that "with or without U.S. anti-personnel mines, North Korea's large but antiquated force would be channeled by mountainous terrain into devastating killing zones and halted north of Seoul." The author said that "Had the administration taken the Ottawa process seriously early on, we could have won time to solve the 'mixed' mines problem before the treaty takes effect." He called on the US to "Declare that we will sign the treaty as soon as we have designed technologies or tactics to protect anti-tank mines in a manner consistent with the treaty, set a target date and immediately launch a crash program to do so."

5. Taiwan-PRC Relations

The Los Angeles Times carried an opinion article by Taiwan Prime Minister Vincent Siew ("TAIWAN HAS A PLACE IN A NEW WORLD ORDER," 12/04/97) which stated that "The Republic of China on Taiwan is evolving and ardently aspires to actively contribute to peace and stability in East Asia and the new world order of the 21st century." The author said that Taiwan "decided to face the reality of 'a divided China,' and no longer claim to represent all of China. We believe that China should be unified in the future. However, at present and in the foreseeable future, neither Taipei nor Beijing can effectively govern all of China. Hence, there is no 'one China,' rather only 'one divided China,' of which the Republic of China is one part and the People's Republic of China the other." He added, "no country should be excluded from playing a part in the shaping of the new world order." He said that despite Taiwan's efforts to improve relations with the PRC, "what we have done in goodwill has only met with military intimidation, diplomatic suppression and threatening invective from Beijing." He concluded, "Our rejection of the communist system is in no way tantamount to the advocacy of so-called Taiwan independence or the establishment of 'two Chinas.' We simply prefer democracy and peaceful means of reunification."

6. Taiwanese Comfort Women

The Associated Press ("TAIWAN HELPS JAPAN ARMY SEX SLAVES," Taipei, 12/05/97) reported that the Taiwan government Friday gave payments of US$15,600 each to thirty Taiwanese women who had been forced to serve as sex slaves for the Japanese army during World II. Accepting on behalf of the survivors, one elderly woman said that they would continue to seek an apology from Japan for injustice committed during the 1895-1945 Japanese colonization of Taiwan. Chang Chin-chun, director of the Taiwan Foreign Ministry's Department of East Asian and Pacific Affairs, said that despite the payments, "We will keep on seeking compensation and an apology" from Japan.

II. Republic of Korea

1. Light-Water Reactor Project

Desaix Anderson, the executive director of the Korean Peninsula Energy Development Organization (KEDO), said Tuesday that construction of nuclear reactors in the DPRK is unlikely to be affected by the ROK's financial crisis. Anderson stressed that the nuclear reactor project was "a national security issue" on the peninsula, and therefore unlikely to be affected by the ROK's negotiations with the International Monetary Fund. (Korea Times, "NUCLEAR PROJECT UNAFFECTED BY SEOUL FINANCIAL CRUNCH: KEDO," 12/04/97)

2. ROK Financial Crisis

Michel Camdessus, managing director of the International Monetary Fund (IMF) announced the ROK's bailout fund is to total US$55 billion, but as other countries, including Italy, have expressed their intention to participate, the amount will increase by another US$2 billion. Of the first US$35 billion installment, US$21 billion will come from the IMF, US$10 billion from the World Bank, and US$4 Billion from the Asia Development Bank. The ROK Ministry of Finance and Economy said US$5.5 billion will be provided as early as this Friday. If the total amount is insufficient, other countries are expected to send an additional US$22 billion. The countries include Japan, which is expected to provide US$10 billion, the US, which is expected to provide US$5 billion, and the UK, Germany, France, and Italy, expected to send US$1.25 billion each. Australia and Canada are also to provide US$1 billion each. (Chosun Ilbo, "IMF BAIL OUT FUND TO INCREASE TO $57BILLION," 12/04/97)

3. ROK Military Development

The ROK Navy has indicated its willingness to inspect the capability of foreign submarine builders as possible partners of ROK defense contractors, to investigate the decision on who will be awarded the US $1billion 1,500-ton submarine project. It was pointed out that the submarines which the ROK Navy wants are equipped with special features and that the two ROK submarine builders, Daewoo and Hyundai, do not have the technology to make them alone and will have to depend on their foreign partners. (Korea Times, "ROK NAVY HINTS AT WILLINGNESS TO INSPECT FOREIGN SUB BUILDERS," 12/04/97)

As the International Monetary Fund (IMF) bailout has insisted on stern monetary policies for Seoul, the ROK's arms buildup will be delayed or scaled back for the time being, ROK military analysts said Wednesday. It appears certain that the defense budget will be cut by about 2 trillion won for fiscal 1998 and probably for 1999 too. The defense budget for next year is about 14.6 trillion won, and 29.3 percent or 4.28 trillion won is earmarked for defense improvement, or arms buildup. Among programs that may be delayed or revised is the 1-trillion-won project to build three 1,500-ton advanced submarines for the Navy. The ROK Defense Ministry previously planned to designate a contractor by this year. Daewoo Heavy Industries, teamed with Germany's HDW, had been virtually selected as the contractor. But that decision was later postponed due to strong protests from rival Hyundai Heavy Industries. Military sources said the submarine endeavor will not only be delayed, but selection of the contractor may be reconsidered, hinting at a Daewoo-Hyundai-foreign contractor consortium. HDW and France's DCN are among the foreign contenders. (Korea Herald, "ARMS BUILDUP MAY BE DELAYED OR SCALED BACK," 12/04/97)

4. ROK-US Defense Talks

The ROK Defense Ministry said that the 29th annual ROK-US Security Consultative Meeting (SCM)

between ROK Defense Minister Kim Dong-jin and his US counterpart William Cohen will be held in Washington on December 9. The one-day meeting follows the Military Committee Meeting (MCM) between chairmen of the two countries' joint chiefs of staff earlier the same morning. High on the agenda will be a joint evaluation of the threat posed by the DPRK, its nuclear status, and prospects of the four-party talks, as well as ways of further improving the future-oriented security format, according to ministry officials. In addition, the two ministers are expected to focus on "burden-sharing" between the two countries of costs for the maintenance of US troops after 1998, possible revisions of elements in the ROK-US Status of Forces Agreement (SOFA), and the transfer of land now occupied by US forces in Korea. Last month, the two sides announced the return of a sizable plot of land in the town of Tongduchon, north of Seoul, which is now a US training ground. The ROK also seeks the return of US Camps Hialeah in Pusan and Humphrey in Pyongtaik. A source at the ROK ministry said that the Korean delegation will ask for more active support in the investigation of the crashes of ROK Air Force F-16 fighter jets, while the US side is stressing the need of a direct communication channel at the general officer level with the DPRK. The ROK opposes a senior-level direct channel of communication and wants US-DPRK bilateral contacts to be confined within the existing armistice framework, arguing that the DPRK has unilaterally broken the armistice agreement and is demanding the opening of an exclusive route of contact with the US that would cut out the ROK. (Korea Times, "ROK-US DEFENSE CHIEFS TO HOLD SECURITY TALKS IN WASH," 12/05/97)

5. ROK-Japan Fishery Talks

The ROK and Japan held last-ditch negotiations Thursday on a new fisheries accord to replace the existing one, which has been in force since 1965. Japanese Vice Foreign Minister Masahiko Komura met ROK Foreign Minister Yoo Chong-ha after seeking to settle the remaining differences in a morning meeting with his ROK counterpart Lee Ki-choo. Komura came to Seoul Thursday night for his second talks with ROK officials on the fisheries issue in less than a week. Following the talks between Lee and Komura, an ROK ministry official said, "No further progress has been made. The two sides restated their positions." The most sensitive issue is how to manage the waters around the Tokdo islets, which are occupied by Korea but still claimed by Japan. Korea wants to maintain 12-nautical mile territorial waters around the islets and leave adjacent area as high seas. It has rejected a Japanese demand that the two countries set up a joint management fishing zone around the islets, fearing that it would affect the ROK's sovereignty over them. (Korea Herald, "KOREA-JAPAN FISHERY TALKS END IN FAILURE," 12/05/97)

III. Announcements

1. New Publication on ROK Elections

The Asia Society is pleased to announce the publication of its latest Asian Update, "THE 1997 KOREAN PRESIDENTIAL ELECTIONS." This Asian Update provides contextual information for the ROK's December 18 election. Essays include "An Election Without Issues" by Chaibong Hahm, "Foreign Policy for a New Administration" by Robert A. Scalapino, and "Presidential Elections and the Rooting of Democracy" by David I. Steinberg. The Asian Update appears on the Asia Society's World Wide Web site at: http://www.asiasociety.org/publications/update_elections.html. Copies of the printed version may be ordered from the Asia Society Bookstore by phone, 212-327-9310; fax, 212-517-8315; or e-mail, laurens@asiasoc.org.

2. Korean-American Organization Sends Aid to DPRK

On October 17, 1997, a 40 foot container filled with medical supplies and equipment much needed in the DPRK left Detroit, Michigan en route to Niigata, Japan, where it will be transshipped via

Mangyungbong-Ho to Wonsan, DPRK, with the final destination being Pyongyang, more specifically the Third People's Hospital in that city. Watching the departure of the container truck with obvious pride and emotion, from the loading dock of the World Medical Relief, a Detroit based medical relief organization, was a group of Korean-American physicians, representing the organization called Christian Association for Medical Missions (CAMM). The CAMM was founded eight years ago by a small group of American Christian physicians of Korean ancestry, with the stated goal of helping the health care delivery system of DPRK, purely based on religious and humanitarian grounds. Most of the group watching the container leave had been to Pyongyang many times in the past eight years to carry out care and prayer missions.

The content of the container was valued at US$450,000, which is a conservative estimate made by the WMR official for possible customs duty assessment when it arrives in Japan, although most likely the customs officials will take notice of the big sign it carries that states Humanitarian Donation and will likely let the shipment pass free of tax. The container carries varied pharmaceutical products. Especially of significance is that it contained 17,000 bottles of pedialyte solution, crucially needed in the treatment of starving, dehydrated children! It also carried surgical supplies, instruments, and much needed antibiotics of assorted types.

The organization of CAMM has approximately 250 Korean-American doctors who are bilingual. The members have had broad and specific experience working with North Korean officials, patients, and their physicians, who are not quite at par with their American counterparts in terms of their medical professional expertise, although very eager, dedicated, and intelligent. The CAMM mostly raises fund among themselves and also among the Korean-American communities scattered in most US metropolitan areas. Therefore this particular shipment of medical supply represents a major, if not the biggest contribution ever, by this small but dedicated group of physicians. Recently, the group offered their professional as well as hands-on experience to a Connecticut-based medical relief agency called Americares, which publicized their plan to airlift large quantities of medical supplies to the DPRK. However, the Americares rejected the offer of this voluntary assistance from CAMM, with no clear reason. Those who wish to participate or help the humanitarian effort of the CAMM, may contact its president, Dr. Young Mo Lee, at ymlee@tir.com.

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.

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

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

Shin Dong-bom: dongbom.shin@anu.edu.au
Seoul, Republic of Korea

Choi Chung-moon: cily@star.elim.co.kr
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-05-december-1997/

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