# NAPSNet Daily Report 06 August, 1998

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#### I. United States

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#### **1. Alleged Kidnappings by DPRK**

The Associated Press (Martin Fackler, "DEFECTOR CLAIMS N.KOREA KIDNAPPINGS," Tokyo, 08/04/98) reported that An Myung-jin, a former DPRK spy who defected to the ROK in 1993, said Tuesday that he had seen two kidnapped Japanese working at a spy-training center in the DPRK. An

identified the two Japanese as Megumi Yokota, who disappeared from northwest Japan in 1977, and Shuichi Ichikawa, who went missing in 1978. An said that altogether he saw four Japanese, as well as Chinese and Westerners of unknown nationality. He also said that he had seen forged US\$100 bills capable of fooling US counterfeit detection machines, and opium-based drugs that were secretly being produced for sale in the West.

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### 2. Rajin-Sonbong Development

The Foreign Broadcast Information Service reported that the Hangyore Shinmun (Yim Ul-ch'ul, "ROK, DPRK SEEKING TO BUILD TRADE CENTER IN NAJIN ZONE," Seoul, 08/03/98) said Monday that the DPRK plans to build a business complex in the Rajin-Sonbong special economic zone to be rented by about 50 ROK companies. At the end of July, One-nation Materials Exchange Association, which comprises about 20 ROK small and medium companies specializing in businesses with the DPRK, and the DPRK's Nason Economic Cooperation Corporation signed an "agreement on the construction of the Najin international trade center and on the promotion of the center among ROK companies." According to the agreement, the ROK and the DPRK will invest US\$700,000 to build the center and jointly manage the building for the next 25 years. The DPRK plans to hold a "promotion day of Najin-Sonbong development" for four days beginning September 26 with the attendance of about 150 ethnic Korean businessmen from the ROK, the US, and the PRC. Completion of the center is scheduled for March 1999. The ROK companies will be able to sell ROK-made electronic, leather, and textile products to DPRK citizens, as well as PRC and Russian traders, through the duty-free shop in the building. The ROK companies in this building will also be allowed to make investment in the DPRK. An official of the ROK Ministry of Unification said, "The ROK Government actively encourages small and medium companies to do business in Najin- Sonbong."

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### 3. Food Aid for DPRK

Reuters ("U.S. EXPANDS LIST OF WHEAT DONATION RECIPIENTS," Washington, 08/05/98) reported that US officials said Wednesday that the US has selected 18 nations and regions as eligible for up to US\$250 million in wheat donations to alleviate hunger, but the DPRK is not included among them. However, House Agriculture Committee Chairman Bob Smith, R-OR, said after meeting aid officials that the DPRK "is not off the agenda." Brian Atwood, head of the US Agency for International Development, stated, "The current U.S. food aid budget is nearly depleted so this activity will help us to meet serious humanitarian needs in the months ahead."

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### 4. ROK-Russian Spying Row

The Associated Press ("S.KOREA MINISTER FIRED OVER SPY ROW," Seoul, 08/04/98) reported that ROK President Kim Dae-jung fired Foreign Minister Park Chung-soo on Tuesday, holding him responsible for a row with Russia over allegations of spying. Kim named Hong Soon-young, a former ambassador to both Russia and Germany, to replace Park.

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### 5. ROK Floods

Reuters (Nick Yon, "MORE THAN 200 DEAD, MISSING IN S.KOREA FLOODS," Seoul, 08/06/98) and

the Associated Press ("DEATH TOLL IN SEOUL FLOODING, LANDSLIDES AT 82; SEEN RISING," Seoul, 08/06/98) reported that ROK officials said Thursday that 206 people have been killed or are missing from mudslides and floods caused by torrential rains. The ROK National Disaster Prevention Countermeasures Headquarters said that more than 12,000 people were left homeless and some 111 buildings and 44 roads were destroyed or damaged. The Defense Ministry said that the latest victims included nine soldiers, six of whom were killed Thursday in a landslide at a military unit in northern Kyonggi Province. The state-run Korean Broadcasting System said that authorities warned civilians to take extra caution near riverbeds, since the floods had washed away mines and other explosives from military bases. Jim Coles, spokesman for the US Forces- Korea, said that US soldiers near the Demilitarized Zone were trying to recover several shipping containers of small arms ammunition swept away by rains.

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#### 6. Taiwan Politician Killed in PRC

The Chicago Tribune (Liz Sly, "MURDER OF TAIWANESE POLITICIAN CASTS CLOUD OVER TALKS WITH CHINA," Beijing, 08/05/98), Reuters (Benjamin Kang Lim, "CHINA NABS TWO OVER DEATH OF TAIWAN POLITICIAN," Beijing, 08/06/98) and the New York Times (Seth Faison, "KIDNAPPING COMPLICATES THE TALKS ON TAIWAN," Shanghai, 08/04/98) reported that PRC police said Thursday they had arrested two Chinese men for the kidnapping and murder of a Taiwanese politician Lin Ti-chuan. A PRC official said that three other kidnappers were still at large. Liu Gangqi, one of the PRC's top negotiators with Taiwan, said Tuesday, "This incident was an isolated criminal case and should not have a negative effect on relations between the two sides." On Tuesday night, the PRC sent a letter to Taiwan officials expressing "strong dissatisfaction and regret" over Taiwan's handling of the case. The letter stated, "You are taking advantage of the incident to deliberately create and exacerbate differences in order to sow dissension between compatriots across the strait." Members of Taiwan's opposition Democratic Progressive Party, to which Lin belonged, called this week for ties with the PRC to be severed altogether and have stepped up their calls for a more aggressive pro-independence stance.

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### 7. US Naval Visit to PRC

The Associated Press ("U.S. NAVY SHIPS VISIT CHINA," Beijing, 08/02/98) reported that a pair of US Navy ships arrived at the PRC port of Qingdao on Sunday for a four-day visit. The PRC's official Xinhua News Agency reported that Zhang Defa, commander of the PRC's northern fleet, said that the visit will "add a new chapter" to exchanges between the US and PRC navies. US 7th Fleet Commander Vice Admiral Robert Natter was quoted as saying that the visit shows "relations between the two countries and two armies are improving."

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### 8. Spratly Islands Dispute

Reuters ("CHINA SAYS SPRATLYS SOVEREIGNTY 'INDISPUTABLE'," Beijing, 08/05/98) reported that the PRC's official China Daily on Thursday quoted foreign ministry spokesman Tang Guoqiang as saying that sovereignty over the Spratly Islands is indisputable. Tang stated, "China's sovereignty over the Nansha [Spratly] Islands, including the Meiji Reef and adjacent waters is indisputable." Tang made the statement on Wednesday in response to the previous day's rejection by the Philippines of the PRC's offer for joint use of shelter and weather tracking facilities built by the

Chinese on Mischief Reef in the Spratlys. Tang stated, "China is displaying a humanitarian spirit by offering those shelters to foreign fisherman." Lauro Baja, foreign undersecretary of the Philippines, said on Tuesday, "We want [the reef] back, it's ours. Even if the offer is tempting, we refuse to be tempted."

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# 9. US Military Exercises in Philippines

The Associated Press (Jim Gomez, "WAR EXERCISES SURPRISE PHILIPPINES," Manila, 08/06/98) reported that Philippines President Joseph Estrada said Thursday that he was not informed by navy and air force officials about live-fire war exercises with the US Navy in the South China Sea. Estrada stated, "They simply forgot to tell us." He said that the exercises were scheduled during the administration of his predecessor, Fidel Ramos. Defense Secretary Orlando Mercado also was unaware of the maneuvers near Scarborough Shoal, a disputed area claimed by both the PRC and the Philippines. Foreign Secretary Domingo Siazon said Thursday he would lodge a protest if the PRC conducted similar exercises there. He added that more small-scale US-Philippine exercises will be held in coming months.

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# 10. Japanese Nuclear Power

The Associated Press (Kozo Mizoguchi, "JAPAN TO BUILD NUCLEAR POWER PLANT," Tokyo, 08/04/98) reported that Japanese Ministry of International Trade and Industry officials said Tuesday that the government's five- member Nuclear Safety Commission on Monday approved the building of Japan's first commercial nuclear power plant in 10 years. The officials said that construction of a reactor with an electricity generation capacity of 1.1 million kilowatts would begin in December. The new plant will be located in Higashidori, about 400 miles northeast of Tokyo and will be operated by Tohoku Electric Power Co. It is slated to start operations in July 2005.

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### 11. Sales of Russian Uranium

The New York Times (Matthew L. Wald, "U.S. PRIVATIZATION MOVE THREATENS AGREEMENT TO BUY ENRICHED URANIUM FROM RUSSIA," Washington, 08/04/98) reported that the recently privatized United States Enrichment Corporation plans to sell off more than 70 million pounds of uranium under its possession. Market analysts said that the move is almost certain to lower uranium prices, thus threatening a deal whereby the US agreed to buy 500 tons of highly enriched uranium from Russia between 1995 and 2005 for sale to US nuclear power plants. [Ed. note: See US Uranium Sales in the US Section of the July 2 Daily Report.] Russia assumed that it would receive US\$8 billion for the uranium. Russian Atomic Energy Minister Yevgeny Adamov, in a letter to Pete Domenici, R- NM, chair of the US Senate Budget Committee, said that the prospects for the agreement were "dramatically deteriorating." He said that the move also made it harder for him to win approval for strategic arms agreements and US participation in projects to secure nuclear materials in Russia. Domenici stated, "The transfer of the 78 million pounds of uranium to the enrichment corporation was a huge mistake. The ripple effects of that decision will probably result in a national security issue of high importance." However, an anonymous White House official stated, "Russia's fundamental economic interest is to continue to carry out the agreement." He added, "our judgment is that they will follow that fundamental economic interest."

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#### 12. US Missile Defense System

Reuters ("HOUSE VOTES TO CURB U.S. ACTION ON MISSILE TREATY," Washington, 08/06/98) reported that the US House of Representatives late Wednesday voted 240-188to block the Clinton administration from participating in the consulting body with Russia, Kazakhstan, Ukraine, and Belarus on the Anti-Ballistic Missile Defense Treaty. Republicans said that the amendment was needed to prevent the administration from changing the treaty without Senate ratification, but Democrats said that it was an attempt to force the US to break the agreement.

Reuters ("ANTI-MISSILE PLAN PUSHED IN U.S. HOUSE," Washington, 08/05/98) and the Associated Press (David Briscoe, "BILL WOULD CHANGE MISSILE DEFENSE," Washington, 08/05/98) reported that a bipartisan group of US House of Representatives members introduced a bill Wednesday that would make it US policy to deploy a national missile defense system. Representative Curt Weldon, R-PA, said the bill would not set a specific time for deployment or specify the system to be used. The one-line bill states, "It is the policy of the United States to deploy a national missile defense system."

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#### **13. Fissile Material Cutoff Treaty**

The Associated Press ("NEGOTIATIONS ON NUCLEAR WEAPON MATERIAL PRODUCTION BAN NEAR," Geneva, 07/06/98) reported that on Thursday the chairman of the Conference on Disarmament, Mykola Maimeskoul of Ukraine, called a meeting Friday to discuss the proposal that a committee be set up to discuss a possible treaty on fissile materials. He said a consensus on setting up the committee is "quite close."

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### 14. Indian Anti-Nuclear Protests

The Associated Press ("MARCHES ACROSS INDIA HIGHLIGHT RESISTANCE TO NUCLEAR ARMS," New Delhi, 08/06/98) reported that 5,000 Indian scientists, students, and factory workers held an anti-nuclear march in New Delhi Thursday to mark the anniversary of the bombing of Hiroshima. A resolution by anti-nuclear activists who organized the march stated, "Both India and Pakistan now have the capability to perpetrate the horrors of Hiroshima and Nagasaki on each other, not once but many times." It added, "The people of India and Pakistan must stop this madness which threatens us with mutual annihilation." Mubashir Hasan, a former Pakistan finance minister, flew to New Delhi to join the rally and said the tests were unnecessary. Hasan stated, "There was no threat to either India or Pakistan either from each other or from anyone else."

# II. People's Republic of China

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#### 1. Japanese Permanent Security Council Membership

China Daily ("DPRK URGES UN TO MAKE JAPAN PAY RESTITUTION," United Nations, 08/05/98, A11) reported that DPRK officials argued that the UN should make Japan pay compensation for its "past crimes" rather than allowing it to pursue a permanent seat on the Security Council. The

DPRK's UN mission indicated in a note circulated as a General Assembly document that Japan committed "extra-large crimes unprecedented in history during its illegal occupation of Korea" in the first half of the 20th century. "We hold that the United Nations should pay due attention to Japan's refusal to liquidate its past rather than discussing its permanent membership in the Security Council. If necessary, measures should be taken to discuss the problem of Japan's past crimes at the General Assembly, or to bring it to the attention of the International Court of Justice," the note concluded.

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# 2. PRC Delegation to DPRK

China Daily ("DPRK VISIT," 08/04/98, A2) reported that a delegation of the PRC's People's Liberation Army (PLA) led by Lieutenant-General Xiong Guangkai, deputy chief of the PLA General Staff, left on August 3 on a goodwill visit to the DPRK. General Xiong and his delegation will be there as guests of the DPRK Ministry of the People's Armed Forces.

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# 3. ROK-Russian Spying Row

People's Daily ("ROK CHANGES FOREIGN MINISTER," Seoul, 08/05/98) reported that ROK Foreign Minster Park Chung-soo expressed his apology for causing concern to the ROK people over ROK-Russian relations and gave his resignation on August 3. ROK President Kim Dae-jung appointed Hong Soon- yung to the new foreign minister. Hong, 61, had been a vice-foreign minister and ROK ambassador to Russia.

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# 4. US Naval Visit to PRC

Jie Fang Daily ("US WARSHIPS ARRIVES IN QINGDAO," Qingdao, 08/03/98, A3) reported that two warships of the US Navy arrived on August 2 in Qingdao, a port in the PRC's Shandong Province, to begin a four-day visit. It was the fourth US Navy warship visit to the PRC since 1995.

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### 5. Taiwan Politician Killed in PRC

According to China Daily ("WOMAN'S MURDER 'SHOULD NOT AFFECT' CROSS- STRAITS TIES," Shenyang, 08/03/98, A1), Liu Gangqi, deputy secretary- general of the Beijing-based Association for Relations Across the Taiwan Straits, said that the death of Lin Ti-chuan, a Taiwanese woman who was kidnapped and murdered in Northeast PRC's Liaoning Province on July 27, is an "isolated" criminal case and should not have a negative effect on cross-Straits ties. He said that her death was the result of a business dispute between two companies, not a political dispute. Liu was in Haicheng, Liaoning, over the weekend and said that government departments on the mainland have always been serious about protecting the rights and interests of Taiwan compatriots and in dealing with any problems they have. The case will be handled with care, whether the Taiwan-based Straits Exchange Foundation plays a role or not, he said, and expressed confidence that people suspected of having a connection with Lin's death will be arrested and punished promptly and according to law. He denounced some people in Taiwan for attempting to create a political incident by taking advantage of Lin's death. 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 <u>other NAPSNet resources</u>.

We invite you to reply to today's report, and we welcome commentary or papers for distribution to the network.

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