

# NAPSNet Daily Report 06 November, 1998

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## **I. United States**

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### **1. Remains of US Soldiers from Korean War**

Reuters ("N. KOREA HANDS OVER REMAINS OF NINE U.S. SOLDIERS," Panmunjom, 11/06/98)

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and the Associated Press (Y.J. Ahn, "N. KOREA RETURNS AMERICAN'S REMAINS," Panmunjom, 11/06/98) reported that the DPRK on Friday repatriated the remains of what were believed to be nine US soldiers killed during the 1950-53 Korean War. US Deputy Assistant Defense Secretary Robert Jones said that several sets of the remains were believed to have been members of the all African-American 25th regiment of the 24th infantry division. He added that a total of about 22 sets of remains have been recovered from the DPRK so far this year. Jones said that the US hopes to hasten the search next year but the 1999 search schedule has not been fixed, adding that talks on next year's search would begin with the DPRK in December.

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## **2. Pro-DPRK Web Pages**

The Associated Press ("TEEN BUSTED FOR COMMUNIST WEB SITE," Seoul, 11/05/98) reported that ROK police on Wednesday arrested 19 year-old Kim Seok-joon on charges of violating the National Security Law by creating a pro-DPRK web site. Kim's home page, titled the "Forum for People Who Love North Korea," featured a large DPRK flag, along with an ROK flag burning. Kim's Web site also contained the DPRK constitution and news reports and a profile of leader Kim Jong-il.

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## **3. Japanese Satellite Development**

The Associated Press ("JAPAN PLANS TO LAUNCH SPY SATELLITES BY 2002," Tokyo, 11/06/98) reported that Japanese Chief Cabinet Secretary Hiromu Nonaka said that the Cabinet on Friday approved a plan to put four spy satellites into orbit by 2002. Nonaka said that the multipurpose satellites would be used to gather information "needed for crisis management." He added that the project will adhere to a 1969 parliamentary resolution that limits satellites to nonmilitary purposes. An anonymous official of the Prime Minister's Office said that Japan will launch the satellites on its own over the next few years, but that it had not been decided whether the satellites will be manufactured entirely domestically. The project reportedly will cost US\$1.69 billion. Fukushima Nukaga, director-general of the Defense Agency, called the project's approval "significant" for national defense.

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## **4. US Energy Secretary's Taiwan Visit**

White House Press Secretary Joe Lockhart ("WHITE HOUSE DAILY BRIEFING, NOVEMBER 5, 1998," USIA Transcript, 11/05/98) said that US Energy Secretary Bill Richardson will visit Taiwan from November 9th to 11th to attend the joint annual conference of the Washington based US-ROC (Republic of China) Business Council and its Taiwan counterpart. Lockhart stated, "our policy to Taiwan, the People's Republic of China, continues to be governed by the Taiwan Relations Act and by our three joint communiques with the PRC.... Secretary Richardson's trip is consistent with this framework."

US State Department Spokesman James Rubin ("STATE DEPT. NOON BRIEFING, NOVEMBER 5," USIA Transcript, 11/05/98) said that the trip to Taiwan by US Energy Secretary Bill Richardson does not reflect a change in US policy. Rubin stated, "In 1994, as part of our policy review, we endorsed periodic visits to Taiwan by Cabinet-level officials from economic and technical agencies, which is precisely what Secretary Richardson is.... US Cabinet officials have attended past sessions of this event that highlight our strong economic ties with the people on Taiwan." Rubin added, "We expect

that Secretary Richardson will meet with President Lee Teng-hui during his visit."

Reuters (Christiaan Virant, "CHINA WARNS U.S. ON OFFICIAL TAIWAN CONTACT," Beijing, 11/06/98) and the Associated Press (H. Josef Hebert, "CHINA OPPOSES RICHARDSON'S TRIP," Washington, 11/05/98) reported that the PRC Foreign Ministry on Friday issued a statement denouncing a scheduled visit by US Energy Secretary Bill Richardson to Taiwan next week. The statement said, "We urge the American side to strictly adhere to its solemn promises on the Taiwan issue and restrict U.S.-Taiwan relations to a non-official scope." It added, "China opposes any official contact between Taiwan and the United States and is against U.S. Cabinet officials visiting Taipei, including the energy secretary." It said that the US "should not engage in any official contact with Taiwan to avoid bringing harm to developing Sino-U.S. ties."

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## **5. Spratly Islands Dispute**

The Associated Press ("CHINA REFUTES PHILIPPINE CLAIMS," Beijing, 11/06/98) reported that the PRC on Friday dismissed complaints by the Philippines that Chinese ships visited Mischief Reef in the South China Sea and repaired structures for possible military use. PRC Foreign Ministry spokesman Zhu Bangzao said the repairs did not violate an agreement between the two countries to refrain from hostile acts over the Spratly islands. Zhu described the structures on the reef as fishing shelters that were damaged by natural causes, and said authorities began repairs recently for the safety of fishermen.

The Associated Press ("PHILIPPINE DEFENSE CHIEF WARNS AGAINST CHINESE ENCROACHMENTS ON REEF," Manila, 11/05/98) reported that Philippines Defense Secretary Orlando Mercado said Friday that the PRC's recent actions off Mischief Reef could lead to further PRC encroachments on Philippine territory. Mercado stated, "What we see as the emerging strategy of China is 'talk and take.' There is a code of conduct, the Chinese president even came here ... but they are doing something else. That is what is worrisome." He added, "If they are allowed to stay there, what will follow next? If we measure the 200-mile exclusive economic zone (EEZ) from Mischief Reef, even Metro Manila would be included in the EEZ of China." The PRC Embassy said in a statement that it is the PRC's sovereign right to reinforce the structures because they had been damaged by natural forces and were endangering the lives of Chinese staff based on the reef.

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## **6. Nuclear Proliferation**

The Washington Post carried an opinion article (K. Subrahmanyam, "AMERICA? A NONPROLIFERATOR?" 11/06/98, A21) which said that the US has demonstrated a consistent pattern of being unable and unwilling to deal with PRC-Pakistan nuclear proliferation. The author attributed this failure to "fear of jeopardizing U.S.-China trade ties through mandatory invocation of sanctions." He pointed out that Israel, India, and Pakistan had nuclear capabilities for a longer time than did the PRC and France when they were declared nuclear weapons powers under the Non-Proliferation Treaty in 1968. The author argued, "While the United States has been very flexible in its approach to proliferation issues as seen by its reactions to Israel, Pakistan and China, it has painted itself into a corner by extending the NPT indefinitely and unconditionally. Now a new global nuclear approach is needed, which will take into account the existent realities." He concluded, "The international Pugwash Council last month suggested a non-discriminatory set of measures for all eight states that have nuclear weapons. They include signing the test ban treaty, participation in the forthcoming fissile materials cutoff treaty, enforcement of Article I of the NPT (not to proliferate),

compliance with Article III (2) (on safeguards) and dedication to negotiating nuclear disarmament. In addition, they have advocated nuclear risk reduction measures in regard to weapons and moves toward an international treaty on no-first-use on the model of the Geneva Protocol of 1925 for chemical weapons. This would be an effective nonproliferation program."

## **II. Republic of Korea**

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### **1. DPRK Purge**

Chosun Ilbo ("DPRK PURGES HIGH OFFICIALS," Seoul, 11/06/98) reported that the DPRK carried out a massive purge of high-ranking officials from its intelligence agency, including Kim Young-ryong, and its bureau that deals with economic ties with the ROK. According to a report delivered to the parliamentary audit and inspection by Lee Jong-chan, head of the National Security Planning Agency (NSPA), Kim Young-ryong had said earlier this year that the DPRK should open more to the outside world, and was alleged to have taken bribes from foreign trading companies. This was reported to Kim Jong-il, who reportedly dismissed him. Rumors abound that following this he committed suicide. Kwon Hee-kyong, who was head of research at the overseas intelligence agency, has also been removed, on charges of embezzlement when he was ambassador to Russia. As has already been reported, Kim Jong-woo, in charge of overseas economic cooperation, was purged earlier in the year and since March he has not been seen. Additionally, successive chairmen of the International Trade Promotion Committee, Lee Song-rok and Kim Moon-song, have apparently disappeared. The NSPA also noted that Kim Yong-soon, recently appointed as chairman of the Fatherland Peaceful Unification Committee, and Kang Joo-il, the overseas communications chief of the Workers' Party, were investigated for corruption in October last year. Chang Sung-taek, Kim Jong-il's brother-in-law and deputy chief of administration of the party, is also being investigated on the same charge.

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### **2. Alleged DPRK Counterfeiting**

Chosun Ilbo ("DPRK DOLLAR STRONG AS EVER," Seoul, 11/06/98) reported that DPRK agents using counterfeit dollars have been caught 13 times since 1994, using the equivalent of a total of US\$4.6 million in fake dollar bills. According to documents submitted during proceedings of the National Assembly Intelligence Committee, the assistant director of the DPRK Worker's Party was caught trying to purchase Russian currency with US\$30,000 in fakes last March. In December of 1996, the trade consul of the DPRK embassy in Romania was caught trying to use fake dollars valued at US\$50,000, and a DPRK employee of a Mongolian joint venture company was caught trying to use US\$117,300 worth of high quality counterfeits. The documents submitted by the NSPA to the Intelligence Committee also outline the NSPA's knowledge of DPRK drug smuggling activities.

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### **3. US-ROK Summit**

JoongAng Ilbo ("US-ROK SUMMIT CONFIRMED NOVEMBER 20," Seoul, 11/06/98) reported that US President Bill Clinton will visit the ROK on November 20. The last summit meeting between Clinton and ROK President Kim Dae-jung was held only five months ago. According to the Ministry of Foreign Affairs and Trade (MOFAT), the US initiated this visit. Furthermore, this visit is aimed at

emphasizing the importance of "an engagement policy towards the DPRK" to the US Congress. The US Congress has maintained a hard-line policy towards the DPRK due to the DPRK's missile launching and alleged underground nuclear facility. In this situation, Clinton wants to personally deliver his message to the US Congress by visiting the ROK directly. Both presidents will stress that this engagement policy is based on the strong alliance between the ROK and the US. That is why Clinton will visit a unit of the US Forces in the ROK as his last stop on his visit. President Kim's stance will emphasize the importance of the continued support by the US to overcome the current economic crisis. The ROK plans to urge the US to expand investment in the ROK.

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#### **4. DPRK Oil Fields**

JoongAng Ilbo ("DPRK'S FIVE OIL FIELDS ARE UNTAPPED," Seoul, 11/06/98) reported that the DPRK has five oil fields--three inland sites and two that lie under the sea. Among these oil fields, the two that lie off the east and west coast have had geological surveys and preliminary exploration but are basically untapped. The DPRK authorities are now trying to attract foreign investment so can they start production. The three inland oil fields are in the Anju-Sookchon area, which naturally spouts 70 barrels a day, and two in the Myongchon-Kilju area where oil deposits have been found. Full-scale production would still require a great deal of money for facilities and further drilling. According to a "Map of the DPRK Oil Fields" which the Agency for National Security Planning displayed on November 6, the west coast oil field is composed of three mining areas (A,B,C). Among these areas, the C area was explored by Taurus Company from Sweden. There are two sites that are now producing oil in C area, and 10 further areas are scheduled to be drilled. Oil deposits were discovered off of the DPRK's east coast in August 1990. The Australian Beach Company signed a contract to explore this area in 1994 and the exploration work has almost been finished.

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#### **5. DPRK Tourism Project**

Korea Times ("HYUNDAI UNDER FIRE FOR GENEROSITY TO DPRK, POOR SAFETY STEPS FOR TOUR," Seoul, 11/06/98) reported that opposition party lawmakers assailed Hyundai executives and government officials for having offered an excessive amount of rewards in return for the implementation of the Mt. Kumgang tourism and development project, while neglecting to set up measures to ensure tourist safety. In a parliamentary inspection of the Unification Ministry, lawmakers, including Representative Park Kwan-yong of the opposition Grand National Party, denounced Hyundai's projects, noting that ROK and DPRK authorities should establish measures to guarantee ROK tourists' safety. Representative Lee Sei-kee pointed out that if Hyundai offers over US\$900 million to the DPRK as a reward for permission for the Mt. Kumgang project, the DPRK regime might use the money to modernize its missile system in preparation for an attack on the ROK. Hyundai Group founder Chung Ju-yung's son, Mong-hun, who was present at the parliamentary session as a witness, said that Hyundai's first pleasure boat will set sail on November 18 as planned and the tourism project will continue throughout the winter. Meanwhile, Chung revealed that when he and his father met DPRK leader Kim Jong-il last month, they gave Kim a golden crane worth five million won as gift. The Chung family also presented Kim Yong-sun, chairman of the Asia-Pacific Peace Committee, which is Hyundai's project counterpart, with a golden key worth two million won. Apart from the two gifts, Hyundai offered the DPRK 1001 head of cattle, 50,000 tons of corn and 20 Hyundai sedans, whose total value amounts to 11 billion won, Chung said.

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## **6. Remains of US Soldiers from Korean War**

Korea Herald ("REMAINS OF 9 U.S. SOLDIERS RETURN FROM DPRK," Seoul, 11/06/98) reported that nine sets of remains believed to be those of US servicemen killed during the Korean War were sent back from the DPRK on Friday. The transfer, which took place in a ceremony at the truce village of Panmunjom, represented the largest number of remains to be recovered from any single search operation, the UN Command said. The remains were recovered by a joint US-DPRK team operating about 150 km north of Pyongyang during the past three weeks. The effort is part of an attempt to discover the fate of some 8,100 US servicemen still missing from the Korean War. Joint operations by US and DPRK officials, which started in 1996, have led to the recovery of what are believed to be the remains of 27 US soldiers.

## **III. Japan**

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### **1. Pro-DPRK Web Page**

The Yomiuri Shimbun ("MAN WAS ARRESTED FOR STARTING DPRK HOMEPAGE," Seoul, 11/06/98) reported that a 19-year old ROK man living in Chungchongnamdo was arrested by the ROK National Security Agency late last month for starting an Internet homepage in favor of the DPRK. According to the report, although Internet homepages related to the DPRK are strictly forbidden in the ROK, the boy started a homepage carrying a statement "Secretary Kim Jong-il, please become my father" in order to attract attention. The homepage was titled "a gathering of North lovers" and also carried the photographs and activity diaries of Kim Jong-il and a picture of a burning ROK national flag, but the homepage was closed down in the evening of November 4. The boy said to the authority, "I am not necessarily interested in the North, but I did this because Internet fans are interested in such sensitive things as this. I never thought this would cause such a fuss."

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### **2. Japanese Satellite Development**

The Yomiuri Shimbun ("NAKAYAMA SAYS, "WE SHOULD GIVE PRIORITY TO US-MADE INFORMATION SATELLITE," 11/06/98) reported that Taro Nakayama, former Foreign Minister and leader of the Liberal Democratic Party (LDP) project team on information satellites, said on November 5 that Japan should purchase satellites from the US. Nakayama stated, "It is optimal for Japan to develop its own information satellite, but because there is not much time, it is appropriate to purchase an information satellite from the US and to give priority to technological cooperation (with the US)." Nakayama also stated, "Given that the Japanese government will officially decide to possess its own satellite, I will discuss in the US (with my US counterpart Kurt Campbell and relevant authorities) what will be needed."

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### **3. Japanese-PRC Relations**

The Asahi Shimbun ("PRC FOREIGN MINISTRY ANNOUNCES JIANG ZEMIN'S VISIT TO JAPAN," 11/06/98) reported that PRC Foreign Ministry spokesman Zhu Bangzhao, at a regular press conference on November 5, announced PRC President Jiang Zemin's official visit to Japan slated for November 25- 30. Regarding the Taiwan issue, Zhu stated, "It would be advantageous for the

development of PRC-Japanese relations if Japan would take a more progressive stance." Zhu also said, "There is a clear statement (about this issue) in the PRC-Japan Communique and the PRC-Japan Peace and Amity Treaty that is a basis of PRC-Japanese relations.... Japan should observe this principle." However, according to the report, Zhu did not ask for Japan's announcement supporting the so-called three noes, which US President Bill Clinton had previously agreed to. Although Zhu acknowledged that issues of Taiwan and recognition of history are the obstacles to the planned joint statement, Zhu did not specifically mention these issues. The report added that Jiang will meet with the Emperor and Japanese Prime Minister Keizo Obuchi and visit Sendai and Sapporo during his trip to Japan.

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#### **4. Japanese-Russian Relations**

The Yomiuri Shimbun (Kenichi Ogata, "SAKHALIN STATE ASSEMBLY OBJECTS TO DESIGNATION OF NORTHERN TERRITORIES AS SPECIAL AREAS," Moscow, 11/05/98) reported that, according to the Russian Interfax News Agency, the Sakhalin State Assembly adopted a statement on November 5 opposing designation of the Northern Territories as special economic areas and sent the decision to Russian President Boris Yeltsin. The statement says, "(We) object to separation of the Northern Territories from the State of Sakhalin, designation of these territories as special economic areas, and giving Japan the freedom to exploit these territories.... The Russian government should not use these islands as cheap bargaining chips to gain short-term profits from Japanese-Russian relations."

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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