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I. United States

1. DPRK-US KEDO Relations The Associated Press (Sang-hun Choe, "NORTH KOREA DEMANDS US PAY PENALTY," Seoul, 11/11/03) reported that the DPRK said Tuesday it will seize equipment for two nuclear power plants being built in the country, until the US pays a "penalty" for its decision to stop their construction. Last week, the US, South Korea, Japan and the European Union tentatively decided to suspend work at Kumho, a remote northeastern coastal village where they have been building two light-water reactors to generate badly needed electricity for the impoverished state. They say that halting the $4.6 billion project is inevitable because the DPRK has violated a 1994 agreement by secretly building nuclear weapons. The DPRK claimed again Tuesday that the US had first violated the 1994 agreement, in which two power-generating reactors were promised in return for a freezing of the DPRK's Soviet-designed reactors, suspected of being used for weapons development. "The US should pay damages for the breach of contract without delay," a spokesman of the DPRK's Foreign Ministry told its official news agency, KCNA. "We will never allow the US to take out facilities, equipment and materials for the light water reactor construction and technical documents now in the Kumho area unless the US pays a penalty," it said. The DPRK made a similar threat last week.

2. CIA on DPRK Nuclear Development

The Associated Press (John J. Lumpkin, "CIA: NORTH KOREA VERIFIES NUCLEAR DESIGNS," Washington, 11/09/03) reported that the CIA has concluded that the DPRK has been able to validate its nuclear weapons designs without a nuclear test, the agency disclosed to Congress. The intelligence service believes that conventional explosives tests, conducted since the 1980s, have allowed the DPRK to verify their nuclear designs would work. The agency believes the DPRK has one or two nuclear weapons similar to what the US dropped on Hiroshima during World War II; a minority of US analysts believe the DPRK may already have made more. CIA officials do not describe the precise mechanism by which the DPRK could have verified their designs. The explanation to Congress provides the rationale behind the agency's conclusion that the DPRK already has a nuclear weapon. The relatively simple fission weapons that the DPRK is believed to have produced would presumably detonate a precisely built shell of conventional high explosives around a plutonium core, and the tests may have involved the designs of that shell. A CIA spokesman declined last week to expand on the agency's conclusions.

3. PRC on DPRK Nuclear Diplomacy

Agence France-Presse ("CHINA HOPES NUCLEAR CRISIS DIPLOMACY WILL BEAR FRUIT NEXT YEAR," 11/10/03) reported that the PRC hopes for results by next year from its strenuous efforts to resolve the DPRK nuclear crisis, Beijing's Vice Foreign Minister Dai Bingguo said here. Dai, in brief comments to journalists at the start of talks with ROK Foreign Minister Yoon Young-Kwan, set no time frame for a new round of multi-party talks on the crisis. However, he indicated that next year would be significant. "We hope there will be a 'good harvest' next year in efforts to resolve the DPRK nuclear issue peacefully," Dai said through an interpreter. North Korea agreed in principle late last month to attend a new round of talks following an inconclusive first round of six-way talks in Beijing

in August. Dai told Yoon that the US and other countries involved in the six-way talks should come up with proposals that are acceptable to each other when new discussions take place, foreign ministry officials said. The PRC envoy inquired about the ROK's position on the timing of new talks, while Yoon called for an early resumption of the six-party talks, they said. "We're now at a stage in which China is collecting the positions of related countries," Chung Sang-Ki, director-general of the Foreign Ministry's Asia-Pacific affairs bureau, told reporters. The PRC envoy's visit to Seoul is the latest round in an intensive Beijing effort to bring the parties together again.

4. US Rumsfeld ROK, Japan Visit

Agence France-Presse ("RUMSFELD TO VISIT JAPAN, SOUTH KOREA," 11/11/03) reported that US Defense Secretary Donald Rumsfeld announced he will travel this week to Japan and the ROK for talks on security in the region, including US plans to reconfigure its forces on the tense Korean peninsula. "Our goal is to reinforce deterrence and to reposition the alliance for the period ahead," he told reporters at the Foreign Press Center here. He said any reduction in US forces on the peninsula would be more than matched by an increase in military capabilities. The trip -- Rumsfeld's first to east Asia since he assumed office in 2001 -- comes amid diplomatic efforts to arrange a new round of six party talks with the DPRK aimed at defusing a confrontation over Pyongyang's nuclear weapons program. Rumsfeld declined to comment on the prospects for the talks with the DPRK. But he said the US forces in the ROK were "solely for the purpose of assuring peace on the peninsula." Rumsfeld said he was leaving Wednesday on the trip. He will stop in Japan for talks before going on to the ROK for an annual bilateral defense consultative meeting, he said. He indicated that he would be sharing with officials in both countries how the Pentagon intends to position US forces around the world to respond more quickly to global crises.

5. Japan Domestic Politics

Agence France-Presse ("GOING GETS TOUGHER FOR KOIZUMI AFTER MAJORITY SLIMMED IN ELECTION," 11/10/03) reported that Japanese Prime Minister Junichiro Koizumi faces a rocky ride within his own party after the strong showing by the main opposition in the weekend's general elections, but analysts warn a true two-party system is still a long way off. Disappointment over the prime minister's apparent failure to fulfill promise of structural reform, the rise of a coalition partner, loss of a scandal hit ally and involvement in Iraq have all cost Koizumi dear, observers say. Initial results showed the coalition led by Koizumi's Liberal Democratic Party (LDP) had won 275 of 480 parliamentary lower house seats after Sunday's vote. The LDP alone won 237 seats, down from 247 held before the poll. Three successful candidates who ran as independents joined the LDP on Monday, increasing its tally to 240, while the main opposition Democratic Party of Japan (DPJ) won 177 seats, up from 137 before the election. Full official results were due later Monday. Meanwhile, the New Komei Party, backed by the nation's largest lay Buddhist group, Soka Gakkai, now has the casting vote in Koizumi's coalition, he said. "A group of women in Soka Gakkai, a mighty vote-collecting machine, is strongly anti-war, anti-violence," which cannot be reconciled with the Koizumi government's plan to send troops to Iraq, Okano said. New Komei "may switch sides" and join hands with the opposition bloc if the LDP does not bow to what they want, he said. Shigenori Okazaki, political analyst at UBS Securities in Tokyo said in a report: "The Sunday election may have marked the beginning of an end to the Koizumi era."

6. ROK Hyundai DPRK Visit

Asia Pulse ("HYUNDAI DELEGATES TO VISIT N KOREAN CAPITAL," Seoul, 11/10/03) reported that

the ROK's Hyundai Asan Co. said today it has sent a delegation to Pyongyang to discuss with the DPRK ways to further various economic cooperation projects agreed upon since the inter-Korean summit in June 2000. "A 12-member group led by our president Kim Yoon-kyu left for Beijing in the morning to enter Pyongyang Tuesday," a Hyundai official said. Hyundai Asan has been the South's prime partner for inter-Korean economic cooperation projects thus far. Hyundai Asan's main projects, which are underway, include building an industrial complex in the North, expanding inter-Korean tour projects and reconnecting cross-frontier railways, roads and communication lines. The delegation will discuss issues of mutual interest with the North before coming back to Seoul Saturday, the official said.

7. ROK on Iraq Troop Dispatch

Agence France-Presse ("SOUTH KOREA AGONIZES OVER TROOP DISPATCH TO IRAQ," 11/10/03) reported that ROK President Roh Moo-Hyun is to convene a meeting of his top security advisors, officials said, as the ROK agonizes over a US request for thousands of troops for Iraq. Roh said last month that he was ready to comply with the US request but opposition has grown more vocal as fighting intensifies and the death toll rises in Iraq. Roh and his National Security Council will meet Tuesday, his security advisor Ra Jong-Yil said. "There will be deep discussions on the timing and the size of the deployment, but we don't expect a definitive decision," said Ra. The ROK and the US are at odds over the size of the contingent. "South Korea believed that the dispatch of some 3,000 troops is appropriate, but the US expected the deployment of a bigger contingent," said Deputy Foreign Minister Lee Soo-Hyuk. The troop dispatch will be discussed when US Defence Secretary Donald Rumsfeld visits Seoul for security talks next week.

8. ROK-DPRK Kaesong Trade Office

Asia Pulse ("TWO KOREAS AGREE TO SET UP TRADE OFFICE IN KAESONG," Pyongyang, 11/10/03) reported that the ROK and the DPRK virtually agreed on Friday to set up a joint office in the DPRK's border city of Kaesong next year to expand inter-Korean direct trade, ROK officials said. But the two sides decided not to include the DPRK's demand for electricity assistance from the ROK in a joint agreement expected to be announced after midnight. "Both sides came closer to agreement on the establishment of a trade office," said Cho Myoung-gyun, a spokesman for the ROK delegation attending the seventh inter-Korean economic talks. "They are negotiating about when to open the office." Cho also said the ROK and the DPRK neared an agreement to begin construction of an industrial park in the DPRK city early next year. The two sides also came closer to other economic cooperation projects, including mutual visits to the construction sites of inter-Korean railways and roads. Economic officials of the DPRK and the ROK planned to end three days of talks in this DPRK capital Friday after making modest progress on several pending issues. But at the last moment, the DPRK pressed the ROK to agree to set up a joint committee charged with helping ease the country's energy shortages. ROK officials responded negatively. "If we begin consultations on the electricity issue, it would place a burden on inter-Korean economic cooperation at a time when huge amounts of financial resources are being used for ongoing inter-Korean economic projects," Kim Gwang-lim, the chief ROK delegate, told ROK reporters.

9. DPRK Domestic Economy

JoongAng Ilbo (Ko Soo-suk, "NORTH EXPECTS GAINS IN BANK MERGERS," 11/11/03) reported that the DPRK government is moving to merge the nation's insolvent banks. Sources said the effort is intended to expand the function of the market and push financial reform . The DPRK government

established Kyongyong Credit Bank, which was capitalized at 12 million euro ($14 million) on Jan. 15. A source in Dandong, PRC, said the new bank covers foreign currency operations, issuance of letters of credit, loans and deposits and facilitates bank mergers. The source said Kyongyong presided at the marriage of Korea Joint Venture Bank and Sintak Eunhaeng, an investment trust bank. Korea Joint Venture Bank, the DPRK's first private bank, was established in 1989. The bank was in charge of financing operations of companies managed by members of Chongryon, the pro-Pyeongyang General Association of Korea Residents in Japan. But it ran into financial difficulties when the Japanese government started investigating financial institutions managed by the pro-DPRK group in November 2001. Little is known about the investment trust bank, except that it is in charge of loan operations, as mentioned by Kim Yong-sul, chairman of the DPRK's Committee for Promotion of External Economic Cooperation at a briefing held in Tokyo in September 2002. Further movement of Kyongyong Credit Bank, the key player in the merger of the DPRK's banking sector, should be closely watched. A source in Dandong said Kyongyong Bank is in charge of financial settlements of two DPRK trading companies, each of them having close ties to the DPRK army and the Korea Workers Party. "But the merger of insolvent banks will continue, taking DPRK banks' financial difficulties into consideration," the source said.

10. Austria DPRK Bank Audit

Dow Jones ("KYODO: AUSTRIA AUDITS N KOREA BK BEFORE POSSIBLE SANCTIONS," New York, 11/07/03) reported that the Austrian Finance Ministry conducted a special audit of the DPRK's only bank in Europe in July and August, the Kyodo news agency reported, citing sources familiar with the case. The ministry said the audit of Golden Star Bank was part of routine auditing procedures. But diplomatic sources in Vienna told Kyodo the ministry apparently conducted a preliminary probe in case the U.N. Security Council slaps economic sanctions on the DPRK. The bank has been allegedly involved in money laundering operations and in Pyongyang's arms deals with Syria, Iran and other countries. The US government has insisted that the Austrian government should shut down the bank, saying the bank is serving as a center of DPRK espionage operations in Europe. According to Kyodo's sources, the Austrian auditors didn't find any clear evidence of money laundering but ordered an improvement in the bank's operations. The bank, established in 1982, has eight employees and about EUR15 million in assets, Kyodo reported. The sources told the news agency the bank has been virtually inoperative since last year.

11. Taiwan US Submarine Purchase

Agence France-Presse ("TAIWAN MAY SCRAP PURCHASE OF US SUBMARINES: REPORT," 11/10/03) reported that Taiwan may back out of its plan to buy eight submarines from the US claiming they have been overpriced, the China Times reported. Washington had estimated the eight conventional submarines for Taiwan's navy could cost up to 11 billion US dollars, more than double the market price, a defense official told the paper. If the differences over the cost could not be resolved, Taiwan's navy might switch to buying used submarines instead, the official said. In reply to a query raised at the parliament, defense minister Tang Yao-ming reiterated the official line that procuring the eight submarines was a "deterrent" which Taiwan badly needed. But Tang also sought to ease the price concerns. "The defense ministry would by no means pay exorbitant prices. All the weapons to be purchased must not exceed international prices while they are required to meet our demands," he said. US President George W. Bush approved the submarine sale in April 2001 as part of the most comprehensive arms sales to the island since 1992. The deal, however, has progressed slowly as the US has not built conventional submarines for more than 40 years. An opposition parliamentarian said the ROK built three German-designed submarines for 367 million dollars each, India built three at 323 million per submarine and Pakistan constructed three at 317 million each.

"The prices quoted by the US are outrageously high," the defense official said.

12. Asia-Pacific Space Cooperation Organization

Agence France-Presse ("ASIA-PACIFIC NATIONS TO SET UP SPACE COOPERATION ORGANIZATION," 11/12/03) reported that Asia-Pacific nations are planning to establish a space cooperation grouping to better coordinate environmental protection, disaster reduction and resources exploration, state media and officials said. The Asia-Pacific Space Cooperation Organization (APSCO) will be officially set up next year after final approval from participating governments, the China Daily said. Representatives from 14 countries and the United Nations are in Beijing to sign formal proceedings following a preliminary meeting last year in Bangkok, which designated the PRC capital as APSCO's headquarters. Among those attending are officials from Bangladesh, Brazil, the PRC, the ROK, Iran, Malaysia, Mongolia, Peru, the Philippines, Russia, Thailand, Pakistan, Ukraine and Chile -- some as observers. "We are positive towards the idea of promoting cooperation between China and other countries in Asia," foreign ministry spokesman Liu Jianchao said at a regular briefing. "This kind of consultation is going to further cooperation between China and other Asian countries in the space field. Each country, whether rich or poor, is entitled to conduct peaceful exploration and study of outer space." Luo Ge, secretary general of the Asia-Pacific Multilateral Cooperation in Space Technology and Applications, said the PRC and other countries will develop and launch eight satellites within the next eight years to monitor the natural conditions of the planet and send back data and images to be used specifically by Asia-Pacific nations.

13. PRC AIDS Situation

Agence France-Presse ("PRC EXPERTS TELL GOVT TO COME CLEAN ABOUT AIDS CRISIS," 11/11/03) reported that a senior PRC health official has urged the government to come clean about the scale of AIDS in the country and take urgent action to combat the growing crisis, state media reported. Experts are demanding the kind of leadership used to bring the SARS outbreak under control earlier this year be mobilised to confront AIDS, which the United Nations says has infected at least one million people in the PRC. Zeng Yi, a senior HIV/AIDS official from the PRC Centre for Disease Control and Prevention, was quoted by the China Daily as saying the PRC's leaders must establish an authoritative headquarters to lead HIV/AIDS prevention and control work across the country. "We should tell our people the true situation and take effective measures," Zeng said. "We should try our best to find all the HIV carriers and AIDS patients and give them care and support." Statements such as Zeng's reflect growing belief among international and domestic experts that the PRC's official AIDS figures are grossly inaccurate. The Ministry of Health claims it has received reports of about 45,000 HIV/AIDS cases.

14. PRC Internet Crackdown

Agence France-Presse ("IN CHINA'S CRACKDOWN ON ONLINE ACTIVISM, ANYONE IS A POTENTIAL TARGET," 11/10/03) reported that a PRC crackdown on online activism -- highlighted by a mounting wave of arrests and trials -- is unlike other recent government campaigns, because anyone can become a victim, experts said Monday. The year-long detention of Liu Di, an ordinary Beijing student who posted democracy essays on the Internet, shows that this time the target is not just a well-defined group of open-mouthed intellectuals. "What you see is a pattern in which the government is arresting more and more people who are not 'dissidents'," said Bobson Wong, a New York-based researcher on the social impact of the Internet. "Liu Di wasn't a dissident, she was just a kid." The detention of Liu has clearly sent chills down the spines of many Chinese, and her arrest has

triggered unusually widespread calls for clemency. She has emerged as the most well-known person to fall foul of the Internet censors, who are engaged in a massive drive to quell discussion of sensitive political issues online. The ministry of culture has announced plans for a nationwide surveillance system aimed at controlling what people read and write when they visit one of the country's 110,000 Internet cafes.

II. Republic of Korea

1. US Experts Speculate on Post-Kim DPRK

Chosun Ilbo (Joo Yong-jung, "US EXPERTS SPECULATE ON POST-KIM NORTH, 11/10/03) reported that US intelligence agencies say the government of Kim Jong Il appears unlikely to crumble from within, though they differed on who would succeed Kim if he died, the Washington Post said Sunday. The newspaper quoted the Defense Intelligence Agency as saying, "We lack reliable insights into the internal dynamics of the regime, but his successor would most likely come from the military." But the State Department's Bureau of Intelligence and Research said the successor would probably be one of Kim's two sons - Jong Nam, 32, or Jong Chol, 22. The report pointed out that because the two have different mothers, tensions exist between their families. "To our knowledge, neither has moved through the grooming process far enough to dominate the other," the report quoted the State Department as saying. "We are unaware of any possible successor who is not a blood relative."

2. ROK & PRC Foreign Ministers Have Talks On the Six-Nation Talks

Donga Ilbo (Kim Young-Sik, "YOON-DAI BINGGUO, DISCUSSES THE SIX-NATION TALKS," 11/10/03) reported that Foreign Affairs Trade Minister, Yoon Young-kwan, met with PRC deputy Foreign Minister, Dai Bingguo, who is visiting ROK on November 10. Yoon was briefed on the recent visit of National People`s Congress Chairman Wu Bangguo to DPRK (October 29-31). They also discussed diplomatic efforts to quickly reopen the second six-nation talks on DPRK nuclear issue. Chung Sang-ki, director-general for Asian and Pacific affairs at the Foreign Affairs Trade Ministry, conveyed a message from Dai, "Participating nations, especially US and DPRK, have to bring possible plans which can be accepted by each other." Yoon expressed his gratitude over PRC's role as a peacemaker to solve DPRK nuclear crisis peacefully and asked for their continuous efforts. Deputy Foreign Minister, Lee Soo-hyuck, Foreign Ministry's director-general of North American Affairs Bureau, Wi Sung-lac, PRC Ambassador to ROK, Li Bin also attended the meeting which lasted 70 mintues. National Security Adviser Ra Jong-yil also met with Dai separately to discuss the resumption of the second round of talks over breakfast.

3. ROK Will Have Trade Liaison Office To Aid

DPRK in DPRK Joongang Ilbo (Special Report Team, "TRADE LIAISON OFFICE TO AID NORTH, SOUTH," 11/10/03) reported that the latest round of inter-Korea economic talks ended in Pyeongyang over the weekend with modest progress that included an agreement to establish a permanent liaison office early next year in an industrial zone that is being developed with ROK capital. The office, to be established in the Gaeseong Industrial Complex just across the Demilitarized Zone in DPRK, will be a point of contact between the two governments on setting up procedures for cross-border trading. Most trading between ROK & DPRK is now done through third countries. Construction of the infrastructure at Gaeseong will also begin early next year, and the first phase of the development of industrial facilities, which has lagged since the official beginning in June, is planned for completion before the end of June.

4. Kim's Successor "From the Military" or "Among His Sons"

Donga Ilbo (Kim Jung-Ahn, "SUCCESSOR OF KIM JONG-IL, "FROM THE MILITARY" OR "AMONG HIS SONS," 11/10/03) reported that US intelligence agencies are reporting that there is not a high possibility that the Kim Jong-il regime will collapse from inside, and different institutions are offering different predictions on who his successor will be, according to a Washington Post report on November 9. According to the Washington Post, the Defense Intelligence Agency (DIA) of the Department of Defense is predicting that the successor will likely emerge from the military. One diplomatic source of the Korean peninsula in Washington D.C. said that Yon Hyung-muk, a former technocrat-turned-leader who was appointed as the premier vice chairman of the National Defense Committee during the second-term guidance division reform, is being discussed for the position on November 9. The same source explained that Vice Chairman Yon is an authority on PRC issues and is desired by PRC government to be the next leader of DPRK since Yon was born in Yanbian, PRC and had lived in PRC until he was in junior high school. In addition, he has also assumed the role of chairman of the Second Economic Committee, responsible for taking care of the entire DPRK munitions manufacturing, and as the governor of the Chaggang province, a strategically important position for the military and munitions. This source also reported, "If Kim Jong-il is 'eliminated,' they want Vice Chairman Yon, an authority on PRC issues, to take over the regime." However, the Bureau of Intelligence and Research (INR) of the US Department of State is prospecting that there is a high possibility that either one of the leader Kim's sons, Jong-nam, 32, or Jong-chul, 22, will be the successor saying, "Since both of them are from different mothers, there is tension between the families." The first son, Jong-nam, is in charge of the information technology (IT) industries that DPRK is promoting on which the country is staking their destiny, whereas the current responsibility of Jong-chul is not known yet. Hwang Jang-yup, a former secretary of the Labor Party of DPRK, has said that the successor of the leader Kim will not come from the military during a recent visit to the US

5. DPRK Has One of Two Nukes After Conducting High Explosive

Tests

Donga Ilbo (Kwon Sun Taek, "NORTH KOREA HAS ONE OR TWO NUKES AFTER CONDUCTING HIGH EXPLOSIVE TESTS," 11/09/03) reported that the US Central Intelligence Agency (CIA) confirmed on November 8 that DPRK has produced one or two nuclear weapons and has validated the designs with high explosive tests which fall short of full atomic tests. According to the intelligence documents by the CIA submitted to the Special Intelligence Committee to the Senate last August, "We do not have the exact evidence that Pyongyang has successfully operated a nuclear test," revealed the CIA and added "However, we assess that DPRK produced one or two fission-type nuclear weapons and validated the designs without conducting yield-producing nuclear tests leaving no nuclear test trace." The CIA also said that they did not see why Pyongyang had any reasons to do a nuclear test.

III. People's Republic of China

1. PRC on World Economic Development Declaration Conference

China Daily (Dai Zi, "WU STRESSES ROLE OF EQUALITY," 11/07/03, P7) reported that Chinese Vice-Premier Wu Yi on November 6 proposed the principle of equality, credibility, co-operation and development as a way of achieving global prosperity. Wu made the remarks at the opening ceremony of the World Economic Development Declaration Conference in Zhuhai, South China's Guang-dong

Province, which included the release of the first worldwide declaration on economic development. Wu expects the conference will go a long way to reaching the proposed principle and creation of a favorable environment for global economic development. Wu noted that the world economy is now facing a series of challenges, including long-standing problems in the international economic structure, imbalanced economic development and an ever-increasing gap between rich and poor countries. To ensure the sustainable and stable growth of the world economy, the economic gap between developed and developing countries should be closed, she said according to the report.

2. DPRK Nuke Issue

China Daily ("NEW DISPUTE BREWS OVER NUCLEAR PLANTS," Seoul, 11/07/03, P12) reported that the DPRK said on November 6 it will block the US and its allies from removing equipment and technical data from the site of two nuclear power plants under construction in the state, a news agency reported. The US, ROK, Japan and the European Union said they might suspend the US$4.6 billion power plants project, and would make a final announcement before November 21. "We will never allow the transferring of equipment, facilities and technical documents out of the Kumho district unless compensation for the stopping of construction of the light-water reactors are made," the DPRK spokesman told Pyongyang's state-run news agency KCNA. The Korean Peninsula Energy Development Organization , a US-led consortium based in New York, has been building two light-water reactors in Kumho, a remote village on DPRK's northeast coast, as part of a 1994 deal between Washington and Pyongyang.

3. PRC-US Relations on DPRK Issue

China Daily (Li Jing, "US TRIP TO LAY GROUNDWORK FOR 6-PARTY TALKS," 11/07/03, P2) reported that vice-Foreign Minister Wang Yi traveled to Washington on November 6 to prepare for a new round of six-party talks on the Korean Peninsula nuclear issue. Wang will meet US officials on November 7, Foreign Ministry spokesperson Zhang Qiyue said at a regular briefing yesterday. Wang's visit to the US comes just weeks after his trip to the DPRK with a top Chinese leader Wu Bangguo, head of the National People's Congress, PRC's top legislature. During that trip, PRC and the DPRK agreed in principle to hold a second round of six-party talks on ending Pyongyang's suspected nuclear arms program. Another vice-foreign minister, Dai Bingguo, who has also been key in efforts to defuse the nuclear crisis, will visit the ROK and Japan next week, according to the ministry. "China stands ready to work with other countries to push for the next round of Beijing talks and make them a reality soon," said Zhang according to the report.

4. PRC on UN Panel Establishment

China Daily (Li Jing, "US TRIP TO LAY GROUNDWORK FOR 6-PARTY TALKS" 11/07/03, P2) reported that Foreign Ministry spokesperson Zhang Qiyue said PRC welcomed the establishment of a UN panel on global security threats and appreciated UN Secretary-General Kofi Annan's efforts in this area. Annan appointed a 16-member blue-ribbon panel, including former Chinese Vice-Premier and Foreign Minister Qian Qichen, to look into the major threats and challenges to world peace and security, and to recommend reforms to the UN's role in the world community. "We are looking forward to the early start-up of the panel and hope it will play a role in the UN reforms," said Zhang.

5. PRC on DPRK Nuke Issue

China Daily (Li Jing, "OFFICIAL TO VISIT ROK AND JAPAN FOR TALKS," 11/05/03, P2) reported

that Chinese vice-Foreign Minister Dai Bingguo, one of the top diplomats involved in efforts to defuse the nuclear crisis on the Korean Peninsula, will visit the ROK and Japan this month. Dai will be in ROK from November 9-12 and Japan from November 12-16 on a trip that comes just one week after a visit to the DPRK by senior Chinese leader Wu Bangguo. Dai's visit is regarded as China's latest move to push for continuance of the six-party talks on this issue. "China will continue to work with other parties to push for the next round of six-party talks," Foreign Ministry spokesperson Zhang Qiyue said on November 4. Responding to reports that the US, Japan, the ROK and the European Union are considering suspension of light water projects in the DPRK, Zhang said all related parties should take more positive actions to create a sound atmosphere for the second round talks, said the report.

6. PRC-Russia Relations

China Daily (Li Jing, "OFFICIAL TO VISIT ROK AND JAPAN FOR TALKS," 11/05/03, P2) reported that responding to questions about Russia's YUKOS company and the proposed Sino-Russian oil pipeline project, Chinese Foreign Ministry spokesperson Zhang Qiyue said the project has been confirmed by the two governments many times and will be a major component in economic and energy co-operation between the two countries. She said both sides have confirmed their intent to carry out co-operative projects, including the oil pipeline, according to the principles of a joint statement signed by the two countries' top leaders.

7. DPRK on Nuke Issue

China Daily ("NUKE 'CRISIS' COULD BE RESOLVED," Seoul, 11/04/03, P1) reported that the DPRK believes the crisis over its nuclear weapons program could be quickly resolved if the US agreed to leave the state in peace, a German parliamentarian said on November 3. Hartmut Koschyk, a member of the Bundestag lower house of parliament, visited the DPRK last week to meet officials, including Kim Yong-nam - the head of state and head of the country's parliament, the Supreme People's Assembly.

8. Relations Across Taiwan Straits

China Daily (Hu Meidong, "FUJIAN TO OPEN TOUR PACKAGES TO TAIWAN," Xiamen, 11/06/03, P2) reported that residents in Fujian Province may be looking forward to visiting Jinmen and Mazu islands as tourists around the Spring Festival period in January next year, according to a tourism official of this coastal province. As a port city facing Taiwan across the straits, Xiamen will take advantage of its regional proximity to effectively promote communication on tour routes to Jinmen. Negotiations on travel to Taiwan islands have already reached what is considered a significant phase, local sources said.

9. ROK-Japan Relations

China Daily ("ANTI-JAPAN PROTEST," 11/06/03, P11) reported with a photo that a protester holds a portrait showing Tokyo Governor Shintaro Ishihara, whose mouth is sewed shut with large stitches, at an anti-Japan protest in front of the Japanese embassy in Seoul on November 5. Dozens of protesters yesterday demanded an apology from the Tokyo Governor after he recently said Koreans bore responsibility for Japan's 1910 annexation of Korea.

10. PRC's Commentary on Japan's Actions

China Daily (Wu Yixue, "JAPAN'S ACTIONS THREATEN PEACE," 11/06/03, P4) carried a commentary on the fact that Japanese Prime Minister Junichiro Koizumi reiterated on a Fuji TV program his desire to legitimize Japan's Self-Defense Forces (SDFs) as the national military by revising Article 9 of the country's pacifist Constitution. Koizumi's argument seems reasonable at first. Any country should enjoy the right to develop necessary military means and capabilities to defend itself from foreign attacks and invasions. However, Japan is not an ordinary nation like others. It is the country that brought about catastrophic suffering to its Asian neighbors by launching an aggressive war during World War II. And by far it has not had a careful self-retrospection of its war of aggression, and has refused to compensate the victims. Japan's eagerness to break away from the restraints of its post-war pacifist Constitution is not simply a measure to protect itself from outside military threats, but a key step to realize its long-pursued military power status. Essentially, Japan's determination to revise its constitution reflects a change of its strategic mentality from defensive to offensive purposes. Japan has equipped its SDFs with the world's most sophisticated weaponry despite its lack of legal foundation to develop its military forces. Its military spending has remained the world's second largest for several years, only behind that of the US. It has also drafted an ambitious program for its own national missile defense system (NMD). Earlier this year, the Japanese Congress passed three so-called contingency bills, which specify what military measures and procedures the country will take while being under military attacks or feeling the danger of potential attacks. The bills have provided Japan much room for subjective self-considerations of what are potential threats, leaving it the possibility for the adoption of a pre-emptive military strategy. Koizumi's latest attitude will certainly arouse deeper concern from its Asian neighbors, the article commented at last.

11. PRC's Human Rights

China Daily ("PROGRESS ON HUMAN RIGHTS," 11/08-09/03, P1) reported that the Chinese Government is continuing to improve human rights in the country and has achieved great progress that is recognized by the international community, Foreign Ministry spokesperson Zhang Qiyue said in Beijing yesterday. Thanks to PRC's opening-up drive over the past two decades, the population's living standard has dramatically improved and the country's legal system and social security system have been upgraded, Zhang said in response to a remark by the US President George W. Bush regarding human rights and freedom in PRC.

12. PRC-US Relations

China Daily ("CO-OP HELPS SINO-US INTERESTS," College Station, 11/08-09/03, P2) reported that Chinese Vice Minister of Science and Technology Deng Nan said here on November 6 that PRC-US co-operation in science and technology is beneficial to bilateral ties and in the common interest of the two peoples. Such co-operation has in general been developing successfully and smoothly since the two governments signed their first agreement on science and technology co-operation 24 year ago, Deng said, addressing a conference at Texas A & M University hosted by former US president George Bush. The vice-minister called PRC-US science and technology co-operation an important part of bilateral relations, and this helps stabilize and advance the overall ties. She termed the co-operation wide-ranging and large-scale with fruitful and mutually beneficial outcomes, which she said have promoted scientific, economic and social progress and improved living standards in both countries. But the vice-minister also pointed out that there are issues that negatively affect this relationship. "The restrictions imposed by the US side on co-operation and trade with China in the high-tech area act as a barrier to the expansion of science and technology co-operation," she said.

She also mentioned difficulties obtaining US visas for Chinese scientists and scholars, saying that it has become another hindrance in science and technology co-operation.

IV. CanKor E-Clipping Service

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Former DPRK trade representative Ri Song Dae is appealing Canada's refusal to grant him asylum. According to his lawyer, Ri will die if he is returned. A Canadian citizen working for a New Jersey engineering company has been arrested by the US Department of Justice, and charged with trying to sell a key component for nuclear power plants to the DPRK. As a result of US persuasion, the executive board of the Korean Energy Development Organization (KEDO) decided to suspend indefinitely the construction of two light water nuclear reactors in the DPRK. State Department officials say this effectively marks the end of the 1994 Agreed Framework. What surprised the DPRK, according to a statement in the official DPRK news agency KCNA, is not the scrapping of the agreement so much as "why Washington is so getting on the nerves of the DPRK" prior to the next round of six-party talks. Last month, China's second-highest Communist Party leader and head of his country's legislature, Wu Bangguo, was told in Pyongyang that the DPRK was "in principle" amenable to a second round of talks. The DPRK also responded to recent reports that the USA is formulating a proposal for an alternate regional security arrangement, by expressing a willingness to settle the nuclear issue "on the principle of simultaneous actions". The bi-partisan delegation led by Rep. Curt Weldon, whose trip to the DPRK was cancelled by the White House, sent a scathing letter to the US President complaining of the "arrogant and disrespectful" treatment from his national security advisers. Expecting to meet DPRK leader Kim Jong Il and visit the nuclear compound at Yongbyon, the lawmakers wrote that it is ironic and unprecedented that the White House would cancel a bi-partisan delegation that was "in total and complete support of the President's foreign policy agenda.

For the full issue, please visit: http://www.cankor.ca

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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