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# I. United States

### 1. US Policy toward Russia, PRC

Reuters ("BUSH VOWS TO ENGAGE RUSSIA AND CHINA ON U.S. TERMS," Washington, 2/16/01) reported that US President George W. Bush promised on February 15 to engage Russia and the PRC with "patience, principle and consistency" but said the US would set its own foreign policy priorities. Bush said that he would pursue "a clear, consistent and decisive foreign policy." He also said, "America will set its own priorities, so that they are not set by our adversaries or the crisis of the moment. We must work closely with our democratic friends and allies in Europe and Asia, we must engage Russia and China with patience and principle and consistency." US Defense Secretary Donald Rumsfeld on February 14 called Russia "an active proliferator" of missile technology and said that Russia had no valid reason to challenge US plans to build a missile shield defense. In an interview on PBS television, Rumsfeld said, "Russia is an active proliferator. They are part of the problem. They are selling and assisting countries like Iran and North Korea and India and other countries with these technologies which are threatening other people, including the United States and Western Europe and countries in the Middle East."

# 2. US-PRC Talks

The Washington Times (David R. Sands, "OLD HANDS IN TOWN TO SOUND OUT BUSH," reported

that three senior US experts from the PRC are in Washington this week to meet with lawmakers, journalists, and aides of US President George W. Bush. The delegation included two former ambassadors to the US, Zhu Chizhen and Li Daoyu, and the former head of the PRC Foreign Ministry's office that handles US relations, Zhang Wentu. PRC Embassy spokesman Zhang Yuanyuan called the trip a "private visit." PRC Vice Premier Qian Qichen is expected to visit the US next month. Zhang said that although the current delegation is not on an official trip, "given the high caliber of the visitors, this was a chance to meet with administration officials, renew old friendships and compare notes on policy matters." The three PRC officials met with PRC Undersecretary of State Alan Larson at the State Department, as well as with private PRC specialists and representatives of overseas Chinese organizations. The delegation also stopped by Houston, Texas, to visit former President George Bush. Tom Frechette, spokesman for the elder Bush, said that the Houston meeting was "simply a courtesy visit" by the PRC diplomats, adding, "It was definitely not a policy meeting." The embassy spokesmen said that the three men are expected to brief PRC government officials upon their return. [Ed. note: This article was included in the US Department of Defense's Early Bird news service for February 16, 2001.]

# 3. US-Japan Relations

The Associated Press (Joseph Coleman, "GOOD U.S.-JAPAN RELATIONS CITED," Tokyo, 2/16/01) reported that US ambassador to Japan Thomas Foley said Friday that the military alliance between the US and Japan would survive the furor over the sinking of a Japanese fishing vessel by a US Navy submarine. Foley said that military and diplomatic cooperation between the US and Japan has reached new heights in recent years. He said, "While it has caused anger and anguish in Japan, the U.S.-Japan security relationship is based on ... history and on common interests, and it will survive and be sustained. The terrible tragedy of the submarine accident is totally disconnected from anything that's happening in Japan."

# II. Japan

### 1. Light-Water Reactor Project

The Sankei Shimbun (Nobuyuki Aoki, "GE LEFT KEDO PROJECT," New York, 02/11/2001) reported that US-based General Electric (GE), which was supposed to deal with the core technology of the light-water reactors being built by the Korean Peninsula Energy Development Organization (KEDO), decided on February 10 to leave the project. The US company will be replaced by Japanese Hitachi and Toshiba. The report said that GE was reluctant about proceeding with the project for fear that the DPRK might ask the company for insurance in case of accident and that this problem has long been KEDO's headache. However, to avoid the whole project from being undermined, Hitachi and Toshiba jointly decided to take over GE's task, said the report. The report pointed out that this change might cause some delay, but that the delay would be minimal because the turbine generator technology that the two Japanese companies would use originated from GE. Currently, coordination is taking place among the ROK's Korean Electric Power Company, Hitachi and Toshiba. The report added that although there is an opinion among the US Bush Administration that one of the two reactors to be provided to the DPRK should be of thermal power generation, the dominant view in KEDO is that the original plan should be taken forward.

### 2. ROK Credit Unions in Japan

The Yomiuri Shimbun ("ROK GOVERNMENT TO SUPPORT BANKRUPT PRO-ROK CREDIT UNIONS IN JAPAN," 02/16/2001) reported that the ROK government decided on February 15 to provide up to 36 billion yen to support bankrupt pro-ROK credit unions in Japan on condition that the unions cope with their bad loans. If the ROK government's financial support for the credit unions in Japan were approved by Japan, this would be the first of its kind. The report said that out of 18 ROK credit unions in Japan, 8 major credit unions already went bankrupt and the other 10 have been merged to form a normal bank, named Kanshin Bank. The report added that the ROK government is asking for the Japanese government's approval.

# 3. Japanese-Russian Summit Talks

The Nihon Keizai Shimbun ("JAPAN AND RUSSIA TO HAVE SUMMIT MEETING ON MARCH 25," 02/14/20010 and the Japan Times ("MORI, PUTIN PLAN MARCH TREATY TALKS," 02/14/2001) reported that Japanese Prime Minister Yoshiro Mori and Russian President Vladimir Putin agreed over the phone on February 14 to meet in the Russian city of Irkutsk on March 25 for peace treaty talks. The report said that Mori telephoned Putin and accepted a Russian proposal to hold the talks in late March. Japan and Russia originally agreed to hold summit negotiations on February 25 and 26, during Foreign Minister Yohei Kono's visit to Moscow in January. Just hours after Kono left Moscow for Tokyo, however, Russia requested that the talks be postponed for about a month. In protest at this perceived diplomatic discourtesy, Kono later told his Russian counterpart, Igor Ivanov, that he could not accept Russia's request and that Russia should reconsider holding the meeting as scheduled. With Russia showing little readiness to backtrack and hold the talks in late February, opinion grew within the government that the two countries should have a cooling-off period and hold the summit meeting in April or May. Japan decided, however, to accept Russia's proposal in order to maintain the momentum of negotiations regarding a decades-old territorial dispute over four islands off Hokkaido that were seized by Soviet troops at the end of World War II. Japanese officials hope that Mori and Putin will be able to map out plans for future negotiations in Irkutsk, after the target for signing the bilateral peace treaty expired at the end of 2000. The prospect of the two sides narrowing their differences over the dispute, however, remains dim. Japan is demanding that all four islands be returned, while Russia is reluctant to accede to this demand.

### 4. Japanese-US Summit Talks

The Japan Times ("MORI MAY MEET BUSH IN US AS EARLY AS MARCH 3," 02/15/2001) reported that Japanese Prime Minister Yoshiro Mori and new US President George W. Bush might meet in Washington on March 3 or March 4. The Japanese government had originally wanted Mori to visit the US in February. The report said that Mori and Bush are expected to discuss strengthening security policy coordination. The two leaders are also expected to discuss the collision between a Japanese vessel and a US submarine off Hawaii, said the report.

### 5. US View on Japanese-US Security Relations

The Japan Times ("DEPARTING FOLEY PRAISES RESILIENT TIES, SAYS RELATIONS WILL SURVIVE SUB ACCIDENT," 02/16/2001) reported that US Ambassador Thomas Foley, who has been US ambassador to Tokyo under the former Clinton Administration and is now leaving for the US, gave the Japan Times his reflections on Japanese-US security relations. Foley said, "Japan and the US have never institutionalized security arrangements to the degree that they now exist," citing the updated bilateral defense cooperation guidelines adopted by the two governments in 1997. Foley also said that the US would welcome a more active role by the Self-Defense Forces in international

peacekeeping efforts and that such a move would be consistent with Japan's hopes to obtain a permanent seat on the UN Security Council, which the US supports. As for Japan's collective self-defense right issue, however, Foley said, "(It is) a matter for Japan to decide whether the nation would engage in a collective security role that may require changes to its Constitution and other laws." Regarding US bases in Japan, Foley indicated that it would be "premature" to consider a reduction in the US forward deployment in East Asia at a time when, despite dramatic improvement in the political atmosphere between the DPRK and the ROK, the security situation on the Korean Peninsula has not substantially changed. Foley also indicated that it would be difficult for the US to accept demands from local governments in Okinawa for a 15-year time limit on the US military's use of a planned new airfield to take over the helicopter operations of the US Marine Corps Futenma Air Station, saying, "It is hard to foresee the security situation 15 years ahead."

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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