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# NAPSNet Daily Report 16 October, 1998

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## Recommended Citation

"NAPSNet Daily Report 16 October, 1998", NAPSNet Daily Report, October 16, 1998,  
<https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-16-october-1998/>

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### **I. United States**

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#### **1. Light-Water Reactor Project**

The Associated Press ("JAPAN SAYS IT MAY RESUME NUCLEAR REACTOR AID TO NORTH KOREA," Tokyo, 10/16/98) reported that an anonymous Japanese Foreign Ministry spokesman said Friday that Japan is considering lifting the suspension of its US\$1 billion contribution to the Korean Peninsula Energy Development Organization (KEDO) project to build light-water reactors in the DPRK. The spokesman said that Prime Minister Keizo Obuchi's ruling Liberal Democratic Party and government officials may lift the freeze because it is important for KEDO to succeed. Japan's Kyodo

News agency reported Friday that the KEDO cost-sharing resolution might now be adopted as early as next week.

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## **2. US Military on Okinawa**

The Associated Press (Yuri Kageyama, "JAPAN URGES US MILITARY: TAKE CARE," Tokyo, 10/16/98) reported that Japanese Prime Minister Keizo Obuchi on Friday deplored the death of an Okinawan teen-ager in a hit-and-run accident in which a US serviceman has been charged. Obuchi said that he had met with US Ambassador Thomas Foley to discuss the accident and urge him to do what he can to prevent further ones, though he did not say whether he recommended any specific measures.

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## **3. PRC-Taiwan Talks**

The Associated Press (Renee Schoof, "TAIWAN NEGOTIATOR BUOYED BY TALKS," Beijing, 10/16/98) reported that Koo Chen-fu, chairman of Taiwan's Straits Exchange Foundation, arrived in Beijing on Friday. Koo said that the previous two days of discussions with his PRC counterpart, Wang Daohan, made him "very happy about a renewed beginning of relations." He stated, "Slowly, step-by-step, everything can be discussed." Koo cautioned, however, that mistrust remains one of the most difficult obstacles facing Taiwan and the PRC.

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## **4. India-Pakistan Talks**

The Associated Press (Kathy Gannon, "PAKISTAN, INDIA DISCUSS SECURITY," Islamabad, 10/16/98) and Reuters (Raja Asghar, "INDIA, PAKISTAN PEACE TALKS 'CORDIAL'," Islamabad, 10/16/98) reported that Indian and Pakistani foreign secretaries on Friday held talks on how to create peace and security. Tariq Altaf, a senior Pakistan foreign ministry official acting as spokesman for the two sides, stated, "The foreign secretaries have had a frank, warm and cordial discussion on items of peace and security." He added, "They have explored the full range of issues of peace and security, including confidence building measures (CBMs). They also made an attempt and identified areas of convergence." He concluded, "They have also agreed to review the existing CBMs in order to enhance their efficacy, and finally they have explored ways and means to continue discussion on these issues." Indian foreign secretary K. Raghunath, who led his delegation at the talks, said that the nature of the CBMs is "still under discussion." His Pakistani counterpart, Shamshad Ahmad, said the two sides would continue discussions over dinner and "maybe post-dinner also. So I think we will be in a position to come out with something categorical only after we have completed our present round of talks." Ahmad stated, "We are dealing with very complex ... and difficult issues. One has to be patient. We are not going for quick fixes or let us say, miracles. So that's why we have to proceed very realistically." He added, "There is need to avert the risk of a conflict and there is need to prevent an arms race." Meanwhile, Maleeha Lodhi, Pakistan's former ambassador to the US, said that Pakistan cannot agree to a no-first use pact on nuclear weapons because India has enough conventional fire power to knock out Pakistan's nuclear facilities and command and control centers without having to resort to its own nuclear arsenal. She said that Pakistan would prefer an agreement that neither country would launch a first strike of any kind, similar to a no-war pact.

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## **5. Indian Nuclear Safeguards**

The Associated Press ("INDIAN-MADE NUCLEAR REACTORS NOT OPEN TO SAFEGUARDS-OFFICIAL," Bombay, 10/16/98) reported that R. Chidambaram, head of India's Atomic Energy Commission, said Friday that India's indigenous nuclear reactors will not be open to international safeguards. Chidambaram stated, "There is no question of the reactors we build on our own being put under safeguards." He said that India had not signed any international treaty that would make it mandatory to allow international regulation of domestically built reactors. He added, "We do have facility-specific safeguards ... when we import technology from outside like in the Rajasthan reactor." Chidambaram was responding to a statement from Victor Mourogov, deputy director general of the International Atomic Energy Agency (IAEA), that public acceptance of nuclear energy would grow when all countries were part of safeguards. Mourogov stated, "Safeguards are important to the IAEA. We look forward to all countries being part of that program."

## **II. Republic of Korea**

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### **1. DPRK Reactor Project**

JoongAng Ilbo ("KEPCO TO COVER COSTS OF REACTOR PROJECT," Seoul, 10/15/98) reported that payment for construction work on the Korean Peninsula Energy Development Organization (KEDO) light-water reactor project in the DPRK has not yet been made, as an agreement on cost-sharing is still pending. Therefore, the Korea Electric Power Corp. (KEPCO), which is the main contractor, will have to cover construction costs until an agreement is reached and funds begin to be channeled into the project. Estimates have KEPCO covering about US\$8.9 million in costs. The executive member countries of KEDO, which include the ROK, the US, Japan, and the European Union, agreed Thursday to postpone completion of infrastructure construction for the project by three more months, to next January 15. The infrastructure work was originally scheduled for completion by October 15. Japan has delayed signing an agreement to share in the cost of the project following the DPRK's launch of a missile object over Japanese waters at the end of August.

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### **2. ROK-DPRK Fishery Pact**

JoongAng Ilbo ("MUTUAL FISHERY PACT GETTING CLOSER FOR TWO KOREAS," Seoul, 10/15/98) reported that a mutual fishery agreement between the ROK and the DPRK is moving forward. An ROK government source stated on October 15, "Taking advantage of the DPRK's abundant fishing resources together with our funding, we are now negotiating an agreement with the DPRK. We have met 3 times in Beijing since we obtained permission by the Ministry of Unification last May." He added, "A synergistic effect is expected if we are able to draw up an agreement with the DPRK. The ROK will be offering equipment, ships, and gasoline while the DPRK has plenty of cheap labor, power and natural resources." The two sides will exchange delegates soon to talk over the agreement.

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### **3. DPRK Defectors**

Korea Times ("DPRK DEFECTORS FEAR RETALIATION," Seoul, 10/16/98) reported that over 96 percent of the 456 defectors from the DPRK suffer from lingering fears of terrorist attack. According to a survey conducted by the ROK Agency for National Security Planning (NSP), 65 percent of them have actually been threatened by unknown people. An NSP document submitted to the National Assembly also states that over 20 percent of the DPRK defectors stated they are haunted every moment by the threat of retaliation by agents from the DPRK. Regarding reunification of the two Koreas, a majority of 62 percent said they prefer a joint form of government, while the other 34 percent supported a single administration regardless of political ideology. In terms of market principles, 75 percent wanted to live under capitalism. On the other hand, 23 percent still opted for a modified socialism with capitalist features. Following the completion of the NSP report, Representative Lee, a member of the Unification and Foreign Affairs-Trade Committee of the National Assembly, is planning to present a special bill to provide for the personal security of DPRK defectors.

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#### **4. ROK Policy toward DPRK**

Korea Times ("ANNAN SUPPORTS SUNSHINE POLICY," Seoul, 10/16/98) reported that UN Secretary-General Kofi Annan on Thursday expressed support for ROK President Kim Dae-jung's "sunshine policy," which promotes a conciliatory stance toward the DPRK. Annan also expressed hope that the two Koreas will develop and maintain substantive channels of dialogue and will successfully carry out the four-way peace talks in order to ease tension on the Korean Peninsula. He met with ROK and Japanese correspondents in New York prior to his trips to Seoul and Tokyo, which are set for next week. In particular, Annan expressed a desire to visit the DPRK during his tenure to help alleviate tension between the ROK and the DPRK, although he is unable to visit there "right now." Commenting on aid to the DPRK, Annan said that the UN is taking the lead in helping the DPRK through its umbrella aid organizations such as the World Food Program. Annan is coming to Seoul to receive the Seoul Peace Award on October 23 and will meet with President Kim Dae-jung and other leading figures from various fields of society. He will also receive an honorary doctorate from Kyung Hee University. He also said he would mount efforts to persuade the DPRK to join the Comprehensive Test Ban Treaty (CTBT), adding that the UN is very pleased that India and Pakistan recently promised to sign the treaty.

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#### **5. PRC Aid to DPRK**

Korea Herald ("PRC TO DONATE 80,000 TONS OF CRUDE OIL TO DPRK," Seoul, 10/16/98) reported that the PRC will give the DPRK 80,000 tons (586,400 barrels) of crude oil. The PRC decided to make the donation, "valuing the DPRK-PRC friendship and preserving the excellent traditions of helping each other in adversity," the Korean Central News Agency said in a dispatch late Wednesday. With its economy in shambles, many of the DPRK's factories sit idle and its transportation system is on the verge of collapse for lack of fuel and spare parts, according to defectors from the DPRK. Cash shortages forced the country to cut its crude oil imports from 2.5 million tons (18.47 million barrels) in 1990 to 503,200 tons (3.7 million barrels) last year, ROK government officials said.

### **III. Japan**

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## **1. Japanese-ROK Relations**

The Yomiuri Shimbun (Chiharu Mori, "EXPECTATION IS GETTING HIGHER IN ROK ON PROMOTING JAPANESE CULTURE," Seoul, 10/16/98) reported that Kim Dae-jung's announcement of the gradual liberalization of Japanese popular culture, including films and popular songs which had been restricted in the ROK, is giving a boost to the ROK popular culture industry. The ROK Tourism Ministry, which is responsible for the issue of Japanese culture, is now narrowing down the first type of cultural product to promote in the ROK, and the ministry will announce the subjects of promotion on October 20. According to the report, Japanese films that won international film prizes are seen as likely to be the first products allowed. As for popular songs, the ROK government may first permit Japanese singers to perform in the ROK and then permit the sale of their compact discs.

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## **2. Japanese Defense Agency Scandal**

The Yomiuri Shimbun ("DEFENSE AGENCY HEAD NUKAGA'S RESIGNATION MAY BE INEVITABLE," 10/16/98) reported that Defense Agency (DA) head Nukaga's resignation will likely be inevitable because of the recent DA scandal in which the DA allegedly hid the evidence concerning its malfeasance. According to the report, a group of Upper House Diet members from the Democratic Party, the Clean Government Party, and the Liberal Party submitted to the Diet a bill calling Nukaga to account on October 15, and the Social Democratic Party and the Communist Party also agreed to the bill. The bill states, "Mr. Nukaga did not exercise his leadership properly regarding the DA scandal, inviting a loss of national confidence and international trust." As a result, the bill will certainly pass the Upper House plenary session on October 16. Although some people in the ruling Liberal Democratic Party insist that Nukaga does not need to resign, Nukaga said to reporters on October 15, "If the bill is passed, I will think about (resignation)."

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## **3. PRC-Taiwan Relations**

The Sankei Shimbun ("OPPOSITION RISES FROM TAIWAN TO PRC's STRONG ATTITUDE," Taipei, 10/16/98) reported that, regarding the meeting between Taiwan's Koo Chen-fu and the PRC's Wang Daohan on October 14, opposition is rising from Taiwan to the PRC's strong attitude throughout the meeting. Xu Ke-sheng, Chief of the Committee on Mainland Issues in Taiwan's Administrative Yuan, said to reporters on October 15, "The atmosphere of the meeting was favorable ... (but) Vice Chairman of the PRC's Association for Relations Across the Taiwan Straits (ARATS) Tang Shubei did not announce ARATS Chairman Wang Daohan's statement correctly. This may make the atmosphere of the meeting worse, I'm afraid.... We have noted that (the PRC and Taiwan) have been 'politically' divided. Mainland China should acknowledge this political reality and negotiate under the principle of equal dignity." However, Xu also stated, "It was useful to the future meetings that both sides expressed their positions at the first meeting." He added, "Now, it is highly important to develop favorable relations through visits." On the other hand, the Legislative Yuan criticized the PRC's emphasis on political dialogue between the two sides, saying, "The continuation of the PRC's strong stance will rub the Taiwanese people the wrong way.... The PRC doesn't know how to entertain its guests." The Head of the Foreign Affairs Division, Hu Chi-chiang, said at a Legislative Yuan committee meeting on October 14, "The mainland is putting the countries that are friendly to Taiwan under diplomatic pressure while promoting a dialogue with us.... We should not have excessive expectations for Koo's visit this time."

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#### 4. Japanese-PRC Relations

The Daily Yomiuri ("JAPAN TO ISSUE APOLOGY DURING JIANG'S VISIT," Beijing, 10/16/98) reported that the China Daily said in its editorial on October 15 about an apology from Japan for wartime atrocities in China, "This new stand is certainly welcome. However, we cannot afford the luxury of expecting the apology to settle historical records once and for all. For one thing, it is truly thought-provoking that it has taken Japan so long to take an action that might be unprecedented for itself but so minimal for the countries so brutally victimized."

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](#) in partnership with:  
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