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I. United States

1. US-DPRK Talks

Reuters ("U.S.'S KARTMAN ENDS TALKS ON N.KOREAN SITE VISIT," Seoul, 05/16/99) reported that an anonymous ROK official said Sunday that US special envoy Charles Kartman has finished

talks with the DPRK regarding US inspection of an underground construction site. The official gave no details on the substance of the talks. Kartman was in Seoul overnight Friday to discuss his visit to the DPRK with ROK officials before returning to the US. Technical experts are due to arrive in the DPRK on Tuesday ahead of a visit to the site scheduled for Thursday.

The Washington Times (Willis Witter, "U.S. SEEKS FIRST MEETING WITH COMMUNIST LEADER," Tokyo, 05/15/99, 4) reported that the US is seeking a direct meeting with DPRK leader Kim Jong-il in an effort to reach a settlement of Korean Peninsula issues. US analysts said that the US fears that the war in Yugoslavia has made the US more wary of military confrontation with the DPRK. Richard Fisher, an analyst with the Heritage Foundation, was quoted as saying, "We would be caught flatfooted and there is real anxiety over our ability to maintain a credible deterrence on the Korean peninsula in the event of a major ground war in Kosovo." William Taylor, vice president of the Center for Strategic and International Studies, said that within two years the DPRK will have a missile capable of hitting the US. Taylor stated, "They've got us between a rock and a hard place and they know it." [Ed. note: This article was included in the US Department of Defense's Early Bird news service for May 17.]

2. DPRK Consulate in Hong Kong

The Washington Post (John Pomfret, "NORTH KOREA TO OPEN CONSULATE IN HONG KONG," Beijing, 05/15/99, A17) reported that diplomatic sources said that the PRC has approved the DPRK's request to open a consulate in Hong Kong. An unnamed senior Hong Kong police official who has worked on cases involving DPRK counterfeiting operations and gun-running out of Macao stated, "The Chinese should not have done this. We advised them against it; frankly we are concerned. We thought we had a good policy: keep them out of Hong Kong." The officer said that diplomats in Hong Kong also are concerned that the DPRK would use Hong Kong as a base to help its nuclear weapons program. The PRC's approval followed talks that began March 7 in Beijing between Kim Sung-ki, the head of the China and Mongolian affairs department of the DPRK Foreign Ministry, and PRC officials. Diplomats said that the ROK has not opposed the opening of the Hong Kong consulate because the ROK has five consulates in the PRC and the Hong Kong consulate would make only two for the DPRK. An unnamed source added that an ROK company has recently been given permission to open an office in the DPRK, and the ROK does not want to jeopardize those business ties. The new consulate is expected to open later this year.

3. Food Aid for DPRK

The Associated Press ("AUSTRALIA BOOSTS N. KOREA FOOD AID," Canberra, 05/16/99), Agence France-Presse ("AUSTRALIA TO PROVIDE AID TO EASE NORTH KOREA FOOD SHORTAGE: MINISTER," Sydney, 05/16/99) and Reuters ("AUSTRALIA PLEDGES FAMINE HELP FOR N.KOREA," Sydney, 05/16/99) reported that Australian Foreign Affairs Minister Alexander Downer said Sunday that Australia will provide US\$2.6 million in food aid to the DPRK. Downer said that he had received grave reports about the severity of the food crisis in the DPRK from a government representative on a recent World Food Program mission. He had also received reports from opposition legislators Gareth Evans and Kevin Rudd who recently visited the DPRK. Downer stated, "It is evident that urgent and continuing assistance is needed to address the humanitarian crisis in North Korea that has occurred as a result of food shortages." He added that famine conditions were believed to still exist in some parts of the country. He said that Australia will provide US\$2.1 million to the World Food Program to buy food, spare parts and equipment for local high energy biscuit production, and for a food processing plant. Further funds would go to UNICEF for vitamins and minerals and to the Red Cross for basic drugs and medical supplies.

The Associated Press (George Gedda, "US RAISES FOOD AID TO NORTH KOREA," Washington, 05/17/99) reported that US Secretary of State Madeleine Albright announced Monday that the US will donate 400,000 tons of food to the DPRK. The donation raises the total US commitment for the year to 600,000 tons.

4. US Fuel Oil Deliveries to DPRK

US State Department Spokesman James Rubin ("STATE DEPARTMENT NOON BRIEFING, MAY 14, 1999," USIA Transcript, 05/14/99) said that the first shipment for 1999 of 22,000 metric tons of heavy fuel oil was delivered to the DPRK earlier this year using funds already in the Korean Peninsula Energy Development Organization (KEDO)'s account. Rubin added, "On March 4, the President signed the certifications required to release the first \$15 million of US FY1999 contribution to KEDO. This money was used by KEDO beginning in April to finance additional shipments of heavy fuel oil. Total shipments of heavy fuel oil to date are therefore 90,000 metric tons. Further shipments will continue in May and June. Certification for the remaining appropriated funds for fuel oil - that is, the \$20 million - is now under review by the Administration." He stated, "In short, the previous moneys we've obtained from Congress are sufficient for us to continue to provide fuel oil for some time. We do want to be able to get the additional \$20 million soon, however; but there is no deadline."

5. ROK Policy toward DPRK

The Associated Press (George Gedda, "S.KOREA MULLS CONCESSIONS TO NORTH," Washington, 05/17/99) reported that ROK Foreign Minister Hong Soon-young said Monday that the ROK government may be forced by public opinion to drop its sunshine policy unless the DPRK offers a positive response soon. Hong stated, "That is why we are encouraging North Korea to seize this initiative." He added, "There is no such thing as permanent giving in international relations." Hong said, "We are expecting to have the concessions [from the DPRK]. We do expect to have some response eventually." He said that the more the DPRK values the benefits it is deriving from the ROK's initiatives, the more it will be interested in pursuing a dialogue. He noted that the ROK is pursuing its engagement policies from a position of military strength. In the event of war, the DPRK would perish while the ROK would undergo enormous suffering, which is not the outcome the ROK seeks. He said that the ROK wants the DPRK to be "a real partner in peace and economic cooperation."

6. Kim Dae-jung's Russian Visit

The Associated Press ("S. KOREAN LEADER TO VISIT RUSSIA," Seoul, 05/16/99) reported that Chong Wa Dae said Sunday that ROK President Kim Dae-jung will visit Russia and Mongolia later this month to seek support for his sunshine policy toward the DPRK. Kim will visit Moscow May 27-30 to meet Russian President Boris Yeltsin; Gennady Seleznyov, speaker of the Duma's lower house, and Gennady Zyuganov, leader of the Communist Party. The two sides will sign an agreement on ROK investment in an industrial complex in the Nakhodka Free Economic Zone. Kim will also visit Ulan Bator May 30-June 1 and meet Mongolian President Natsagiin Bagabandi.

7. UN Response to PRC Embassy Bombing

Reuters (Anthony Goodman, "U.N. COUNCIL REGRETS BOMBING OF CHINA'S EMBASSY," United Nations, 05/15/99) reported that the UN Security Council issued a formal statement late Friday

expressing regret over the NATO bombing of the PRC Embassy in Belgrade. The statement said that the Security Council "expresses its deep distress and concern over the bombing" and "its deepest sympathy and profound condolences" to the PRC government and the families of the victims. It added, "The Security Council expresses profound regrets over the bombing and deep sorrow for the loss of lives, injuries and property damage. It also noted that "regrets and apologies were expressed for this tragedy" by members of NATO. The statement reaffirmed that "the principle of the inviolability of diplomatic personnel and premises must be respected in all cases." It also stressed the need for a "complete and thorough investigation of the bombing by NATO." The statement was issued at a brief public meeting that began with a minute's silence in memory of the victims.

8. Effect of Embassy Bombing on PRC Policy

The Washington Post carried an analytical article (John Pomfret, "PROTESTS MAY CHANGE CHINESE POLICIES," Beijing, 05/16/99, A21) which said that the anti-US protests in the PRC are likely to have long political reverberations. The article said that Western and Chinese analysts said that the demonstrations will likely bolster the advocates of military modernization, and might boost the career of Vice President Hu Jintao. Unnamed Chinese officials said that the nationalist fervor caused by the bombing of the PRC Embassy in Belgrade could hurt efforts to open PRC society and damage US-PRC relations. However, Lou Jiwei, vice minister of finance, said Wednesday, "It's impossible that economic reforms will slow down." Western diplomats predicted that the PRC will not abrogate the Comprehensive Test Ban Treaty, but that it may delay ratification. They also said that the PRC will not change its policy and encourage nuclear weapons development by the DPRK, but will continue to resist US efforts to stop PRC missiles and missile technology sales. An unnamed Western military analyst said that the Kosovo air campaign has served as a lesson for the People's Liberation Army of the need to improve air defenses. The article also said that the PRC is expected to take a more active approach in the UN Security Council. It quoted unnamed Western diplomats as saying that the PRC has offered to dispatch its military officers as part of a UN peacekeeping force for Yugoslavia. Thursday's editions of the People's Liberation Army Daily reported that the embassy bombing would prompt the PRC to speed up modernization of the armed forces. One Western military source stated, "These potential budget increases and this expansion of military power are ... occurring in a place that is moving away from, not toward, the United States. They are using the Belgrade bombing to full effect -- to justify a bigger slice of the pie." David Finkelstein, a former Defense Intelligence Agency analyst, stated, "Without question, recent events will provide grist for their darker assessments of the U.S. within decision-making circles." Lu Siging, a Hong Kong-based political analyst, argued, "NATO's bombing of the Chinese Embassy will ... cause an increase in anti-Western, anti-American, ultra-nationalist feeling in China. The Communist Party will be able to use this mood to oppose Western-style human rights."

9. Effect of PRC Embassy Bombing on US Policy

The New York Times carried an opinion article by Owen Harries, editor of the National Interest ("FIRST KOSOVO. THEN RUSSIA. NOW CHINA." 05/16/99) which said that the NATO intervention in Yugoslavia elevated an issue of little geopolitical significance into one that threatens to destabilize the structure of US foreign policy. The article said that for the US to forge a new world order, "the cooperation of Russia and China will be essential. Unless co-opted, their potential as troublemakers is huge." The author argued, however, that the war in Yugoslavia has alienated those two countries, increased anti-US sentiments, undermined political moderates, and driven Russia and China closer together. The article noted that the intervention in an ethnic conflict also "had to be deeply disturbing to China (and to any country with a substantial ethnic minority." It added, "For those determined to designate China as our next great enemy, this will be good news; for others it will be

deeply disturbing." The author attributed the mistakes in Kosovo to two basic weaknesses of US foreign policy. One is a penchant for "cheap" moralizing, ignoring the true complexities of the situation. Another flaw is "the lawyerly approach, the inclination to see foreign policy as a series of discrete cases to be settled in isolation one by one, rather than as a continuing process in which everything is connected to everything else, and in which context is all."

10. Alleged PRC Nuclear Espionage

The Associated Press (Jim Abrams, "US REP.: REPORT ON CHINA SPYING SOON," Washington, 05/17/99), the Washington Post (Walter Pincus, and Vernon Loeb "CHINESE ESPIONAGE IS TERMED 'PERVASIVE'," 05/16/99, A18), and Reuters ("U.S. REPORT SAID TO DETAIL CHINESE NUCLEAR SPYING," Washington, 05/16/99) reported that US Representative Christopher Cox, R-California, said Sunday that the US House of Representatives committee that investigated alleged PRC espionage will soon release its report. Cox stated, "There is no question that what the People's Republic of China is now doing [in their nuclear weapons program] is a direct result of what they have stolen from the United States." Cox said that the National Security Council and the Central Intelligence Agency will examine the report to make sure that sensitive sources are protected. PRC Ambassador to the US Li Zhaoxing strongly denied the charges of PRC espionage.

The Associated Press (John Solomon, "HOUSE PROBES CHINA SPYING EFFORTS," Washington, 05/15/99) and USA Today (Tom Squitieri, "REPORT: CHINA STOLE SECRETS OF 6 WARHEADS," Washington, 05/17/99) reported that anonymous government officials said that the congressional report on alleged PRC espionage found that the PRC conducted at least six neutron bomb tests and obtained secrets about seven major US nuclear weapons. One official stated, "The headline will be that the extent of Chinese nuclear theft is much broader than has been previously revealed. The report asserts that the Chinese have acquired sensitive design information on virtually the entire current U.S. nuclear arsenal." According to the officials, the report shows that the PRC acquired information about the rail gun, a weapon that uses electromagnetic waves to propel objects like missiles or shells. It also shows that the PRC obtained some sensitive nuclear weapons information in 1995, and in 1980 obtained part of a missile guidance system called the accelerometer. Charles Ferguson, a former Navy officer who is now an analyst for the Federation of American Scientists, said that the report "fleshes out the picture and gives us more pieces of the puzzle. And it is eyeopening in that respect, the extent of China's spying." He noted, however, that the US maintains an overwhelming strategic superiority. He stated, "The key is for the U.S. not to go into panic mode, and rather to think of ways to encourage stability and to encourage China not to go to multiple warheads." [Ed. note: This article was included in the US Department of Defense's Early Bird news service for May 17.]

11. PRC Military Modernization

The Associated Press ("CHINA MILITARY UPGRADE PROMOTED," Beijing, 05/16/99) reported that the PRC's official media said Sunday that NATO's bombing of the PRC embassy in Belgrade shows that the PRC should hasten the modernization of its armed forces. The Communist Party's People's Daily said on the front page that the PRC must modernize its weaponry and tactics in order to "assiduously safeguard national sovereignty and dignity." It said that the need for defense against high-tech weapons is particularly important.

The Los Angeles Times (Bob Drogin, "U.S. SAYS NEW INTERMEDIATE-RANGE MISSILE TO BE TEST- FLOWN BY CHINA," Washington, 05/15/99) reported that US officials said Friday that the PRC is expected to flight- test the new DF-31 intermediate-range ballistic missile this year. The DF-

31 would be the PRC's first solid-fueled, truck-mounted missile and would carry a single 400-kiloton warhead. Some analysts have said that the DF-31 could be put into service as early as 2003, but one official said that similar four-year predictions "have been made every year for the last decade." US analysts said that the DF-31 will replace the DF-4, which is aimed against Russia and India, and will have a range of about 5,000 miles. One US official stated, "The idea that it is a strike force against the United States is just plain wrong. And the idea that it will somehow change the strategic balance, or increase the threat to the US homeland, is dead wrong." Another official stated, "The theory is it's a hybrid knockoff that uses parts of W-70 and W-88 technology, but there's no evidence supporting that. We believe we influenced it, but they didn't replicate or copy our weapon." He noted that similar warheads are used by the four other major nuclear powers, and that the concepts behind making nuclear weapons smaller, lighter and more powerful are widely known in scientific circles.

12. US-PRC Relations

The New York Times carried an analytical article (Jane Perlez, "WHITE HOUSE IS BRACING FOR A CHINESE BACKLASH," Washington, 05/16/99, 11) which said that the NATO bombing of the PRC embassy is likely to damage US President Bill Clinton's quest for a "strategic partnership" with the PRC. Robert L. Suettinger of the Brookings Institution argued, "Like us, the Chinese are beginning to ask whether the strategic partnership is workable." He noted that the basic premise of the idea was that the PRC would have a "good relationship with the United States, build an economy and have peace in the region and the world." Now, however, the question is whether the US and the PRC will move toward an "adversarial relationship." David Shambaugh of George Washington University said that the PRC-US relationship is proving to be "a bad marriage, which at the core is pretty hollow." He stated, "There is no strategic glue holding it together. There is no common agreement in Asia and I see it as a relationship of strategic competition in Asia and the world." Chas. W. Freeman, Jr., a former US diplomat to the PRC, stated, "I think the Chinese Government is paralyzed and can't make any gestures. That kills human rights, non-proliferation and the World Trade Organization. It hampers cooperation on issues like North Korea."

The Los Angeles Times carried an opinion article by Robert A. Manning, Director of Asian Studies at the Council on Foreign Relations, ("A SPATE OF STORMS TEST U.S.-CHINA RELATIONS," Washington, 05/16/99) which said that the recent problems in US-PRC relations reveal the differing perceptions that each country has of the other's intentions. The article stated, "China fears that the U.S. goal is to stifle its emergence as a major power, while the United States fears a huge, authoritarian state challenging its interests and values around the globe." It argued, "Whether the downward spiral in current U.S.-China relations can be halted depends, in good measure, on how each side assesses its predicament, how each tallies costs and benefits of continued acrimony and recrimination, and the degree to which policy remains captive of domestic politics in both Beijing and Washington." It added that US-PRC relations have "much less common ground than the illusory Clintonian rhetoric about a 'strategic partnership' would suggest, but enough to muddle through a scaled-back relationship if both sides act on enlightened self-interest." It said that for the PRC to obtain its top priority of economic modernization, it needs to gain access to US markets, investment, and technology, and to avoid military conflict with the US. For the US, the PRC is a key power in Asia that "can and will play a spoiler role, whether on Kosovo or Korea, absent a modicum of cooperation." It predicted, "the United States will have to live with an ambiguous China for a generation, neither ally nor enemy, but something in between. So the challenge is to foster a new realism in which both countries' minimal needs are satisfied, expectations are lowered and results, however modest, gradually build a more stable relationship.... Otherwise, the danger is that the two countries will drift toward confrontation."

The Associated Press ("HONG KONG URGES STABLE SINO-US TIES," Hong Kong, 05/17/99) reported that Hong Kong Chief Executive Tung Chee-hwa said Monday that stable US-PRC relations are crucial to global stability. He added, "The U.S. has to recognize that different countries, with different history, culture and most likely in different stages of socioeconomic development have different needs. Each nation has to find its own way forward as she develops."

13. Withdrawal of US Nuclear Weapons from Taiwan

The Associated Press (George Gedda, "MEMO UNDERLINES IMPORTANCE OF CHINA," Washington, 05/15/99) reported that, according to a recently declassified memo from US Secretary of State Henry A. Kissinger to President Gerald Ford in 1974, the US sought to improve relations with the PRC by reducing security ties with Taiwan, including withdrawing nuclear weapons. In the memo, obtained by the National Security Archive under the US Freedom of Information Act, Kissinger said, "We will remove all U-2 (spy) planes from Taiwan this year and we shall remove all nuclear weapons which are on Taiwan this year." Kissinger added that the PRC had been informed that the US intended to "disengage from our military presence and our military supply relations" with Taiwan by early 1977. Japan's Kyodo News Agency, which first reported on the Kissinger memo, said it was known previously that the US had deployed nuclear-capable missiles in Taiwan in 1957, but the memo offered the first proof that nuclear weapons had actually been deployed on Taiwan. The memo also said the PRC was resisting US efforts to arrange for some form of US representation on Taiwan after US-PRC relations were established, and that the PRC also resisted committing to a peaceful resolution of the question of reunification. It added that the US was keeping the PRC "meticulously informed" about US dealings with Russia and had pledged "never to make any agreement with the Soviet Union that is directed at China. We will not collude with Moscow against Beijing in any form." The memo said, "If the Soviet Union attacks China, the United States would regard this as a threat to international stability and American security." Kissinger also said that the US was seeking to end the UN military presence in the ROK to mollify the PRC.

14. Taiwan-PRC Relations

The Associated Press ("TAIWAN STATEMENT MAY ENRAGE CHINA," Taipei, 05/15/99) reported that Taiwan President Lee Teng-hui on Wednesday is scheduled to make available his new book entitled "Taiwan's Viewpoint." In excerpts published by the United Daily News on Saturday, Lee argued, "Taiwan's democracy and its economic achievement were the sole efforts of Taiwanese. The Chinese Communists have made no contributions, and of course have no right to make any claims on Taiwan." Lee said that the PRC and Taiwan have become two equal political entities, and he called on the PRC to give autonomy to Taiwan, Tibet, Xinjiang, Mongolia and a separate northeast region. He stated, "What the Chinese Communists should do is to give up the binding concept of a Great China, and give autonomy to the regions with distinctive features." He added, however, that there is no need for Taiwan to declare independence, and that a formal declaration would endanger Taiwan's de facto independence. Lee wrote that Taiwan can probably resist PRC's efforts for reunification with continued support from the US. He stated, "The United States would not change its policy toward Taiwan as long as it does not detour from reality and as long as Taiwan maintains its strategic importance." He argued, "If the Chinese communist leaders really care about the welfare of the mainland people, it must try to ease the tense relations with Taiwan."

II. Republic of Korea

1. US-DPRK Talks

JoongAng Ilbo ("KARTMAN SANGUINE ON KUMCHANGRI NUCLEAR INSPECTION," Seoul, 05/16/99) reported that Charles Kartman, the special envoy of the US to the four-party peace talks, said on May 15 following his two-day visit to DPRK, "The talks concerning Kumchangri, the suspected nuclear facilities site, were satisfactory." A source in the ROK Ministry of Foreign Affairs and Trade said that Kartman met three times with Kim Kye-kwan, DPRK's deputy minister of foreign affairs, and completed discussion on the preparations for the Kumchangri inspection team, which will enter the DPRK on May 18. However, regarding the DPRK visit of William Perry, the coordinator of US policy toward DPRK, which is expected at the end of May, the source said, "Kartman reportedly didn't discuss that because Perry's visit is going through different channels."

2. ROK-US Cooperation on DPRK Policy

Korea Herald ("SEOUL, WASHINGTON FINE-TUNE PERRY'S MESSAGE," Seoul, 05/17/99) reported that, during talks held in Washington, ROK Minister of Foreign Affairs and Trade Hong Soon-young and US Secretary of State Madeleine Albright extensively discussed the ROK's greater engagement policy towards the DPRK and other initiatives. Their main concern was when and how to deliver the new policy, which proposes a comprehensive peace deal from which the DPRK would get "attractive" initiatives, to the DPRK leadership, they said. US policy coordinator William Perry is scheduled to visit Pyongyang late this month to explain his policy recommendations for the US government. Hong and Albright also exchanged candid opinions about Perry's DPRK visit, including what message he should carry, they said. The two foreign ministers shared the view that one of Perry's roles in the DPRK is to make clear that the engagement policy is designed to help the DPRK, not to cause its collapse.

3. ROK Policy toward DPRK

Korea Times ("KIM CALLS ON NK TO ACCEPT SUNSHINE POLICY," Seoul, 05/17/99) reported that ROK President Kim Dae-jung on Sunday appealed to the DPRK to accept his "Sunshine Policy," as it provides benefits to both Koreas. In a monthly press meet at Chong Wa Dae, Kim said there is no deadline for the DPRK to accommodate his policy. "We expect North Korea to accommodate our proposal if it fully understands our intentions," said Kim, adding that his proposal does not benefit the ROK only but is beneficial to both sides. "We will wait patiently for a response from North Korea on this peace proposal, which has been endorsed by Korea, the United States and Japan," he explained. Kim urged the DPRK to capitalize on his suggestion to terminate the Cold War structure on the Korean peninsula and seek ways of bringing about inter-Korean mutual prosperity. "North Korea should not lose this rare opportunity," Kim urged. Kim said that if and when the US inspection team concludes that the DPRK has no underground nuclear facility at the Kumchangri site, the ROK, the US, and Japan will actively involve themselves in implementing the comprehensive proposal to the DPRK.

4. Mt. Kumgang Tour

Chosun Ilbo ("NORTH STOPS HYUNDAI'S PUNGAK CRUISE SHIP," Seoul, 05/17/99) reported that, according to an official at the ROK Ministry of Unification, the DPRK delayed the docking of the Mt. Kumkang tour vessel, the Pungak, at Changjun port on Saturday because Hyundai had not yet resolved the issue of the March 31 collision between one of its container vessels and a DPRK cargo ship. The official said that the DPRK has yet to give the go- ahead for the entry of the Punghak,

which had been due to depart Tonghae on Monday afternoon. Hyundai officials confirmed that they have received a cable from DPRK authorities saying that the Punghak should not be launched for Changjun without further approval from the DPRK. Meanwhile, 134 of the 660 Mt. Kumkang tourists who had been stranded on Hyundai's Punghak cruise vessel for 12 hours while waiting for the permission of DPRK authorities to dock at Changjun port staged a demonstration upon their return home, refusing to disembark at the ROK port of Tonghae. Although the tour group was eventually cleared by the DPRK to make the trip to the mountain, the demonstrators refused to join in the tour program and are demanding their money back and an apology from Hyundai Merchant Marine.

5. ROK Government Cuts

Korea Times ("GOVERNMENT DOWN-SIZING PROGRAM ANNOUNCED," Seoul, 05/17/99) reported that the ROK government on Sunday announced a program to reduce the number of government officials by 14,861, or 10.5 percent. ROK Government Administration-Home Affairs Minister Kim Kijai announced the plan in a press conference at the Government Complex in Sejongno. The revision bills on government structure laws will be endorsed in a Cabinet meeting slated for Thursday, thus heralding a large-scale reshuffle of minister- and vice minister-level officials. This restructuring plan is aimed at reorganizing the functions of each government agency instead of restructuring the framework of the administrative organizations. At first, the ministry sought to reduce a total of 126 offices, bureaus, and sections, but the number was reduced to 120 in the process of internal bargaining. One of the notable characteristics of this restructuring plan is that government branches engaging in similar functions have been merged to meet the aim of a "small, but effective government." The Foreign Affairs-Trade Ministry is set to shut down five overseas missions, including two consulates general in Kobe and Yokohama Japan, and some embassies in Latin America or other regions.

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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International Policy Studies Institute Seoul, Republic of Korea

The Center for Global Communications, Tokyo, Japan

Center for American Studies,

Fudan University, Shanghai, People's Republic of China

Timothy L. Savage: napsnet@nautilus.org

Berkeley, California, United States

Wade L. Huntley: napsnet@nautilus.org Berkeley, California, United States

Lee Dong-young: <u>UNPOL@netsgo.com</u>

Seoul, Republic of Korea

Hiroyasu Akutsu: akutsu@glocomnet.or.jp

Tokyo, Japan

Peter Razvin: icipu@glas.apc.org
Moscow, Russian Federation

Chunsi Wu: dlshen@fudan.ac.cn
Shanghai, People's Republic of China

Dingli Shen: dlshen@fudan.ac.cn
Shanghai, People's Republic of China

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Nautilus Institute 608 San Miguel Ave., Berkeley, CA 94707-1535 | Phone: (510) 423-0372 | Email: nautilus@nautilus.org