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I. United States

1. DPRK on US-DPRK Talks

The New York Times (Howard W. French, "NORTH KOREA REBUFFS U.S. ON TROOP TALKS,"

Tokyo, 6/19/01) reported that in its first official reaction to US proposals to resume talks, the DPRK has dismissed a US Bush administration request that the issue of conventional forces be included along with questions of nuclear and ballistic missile control. In a statement read on the state radio on June 17, a DPRK Foreign Ministry spokesman accused US President George W. Bush of setting the agenda for the talks unilaterally. The statement said the US must remove its 37,000 troops from the ROK before any discussion of DPRK troop deployments would be possible. The DPRK spokesman said that with the US request to include conventional arms in the talks, "we cannot construe this otherwise than an attempt of the US to disarm" the DPRK "through negotiations." Officials in the US said they had no immediate comment on the DPRK statement. The DPRK spokesman said talks held during the Clinton administration had been "in conformity with the interests of both sides" and had produced results helpful to improving relations. In this sense, we cannot but interpret the U.S. administration's proposal for resuming dialogue as unilateral and conditional in its nature and hostile in its intention." [Ed. note: This article was included in the US Department of Defense's Early Bird news service for June 19, 2001.]

2. IAEA Inspection of DPRK

The New York Times (Christopher S. Wren, "NUCLEAR QUESTIONS FOR NORTH KOREA AND IRAQ," 6/20/01) reported that the International Atomic Energy Agency said it was unable to verify that the DPRK and Iraq are not diverting nuclear material for military purposes. The agency said it could not confirm DPRK insistence that it had produced only a few grams of plutonium because inspectors had not been given sufficient access. (The US Central Intelligence Agency thinks the DPRK could have produced enough for two nuclear weapons.) The agency also cannot say if Iraq is eliminating any nuclear weapons program because it has not admitted inspectors since December 1999. [Ed. note: This article was included in the US Department of Defense's Early Bird news service for June 20, 2001.]

3. Compensation for Agreed Framework

Washington Post ("COMPENSATION FOR N. KOREA SPURNED," 6/19/01) reported that the US rejected a DPRK demand for compensation for delays in the completion of two light water reactors planned under a 1994 agreement. US State Department spokesman Richard Boucher said, "We don't see any particular basis for compensation." The DPRK made the demand in its first response to US President George W. Bush's proposal two weeks ago that bilateral talks resume for the first time since last fall. [Ed. note: This article was included in the US Department of Defense's Early Bird news service for June 19, 2001.]

4. US-ROK Military Alliance

Agence France Presse ("AMID STRATEGY REVIEW, RUMSFELD REAFFIRMS IMPORTANCE OF KOREAN ALLIANCE," Washington, 6/21/01) reported that US Defense Secretary Donald Rumsfeld reaffirmed Thursday the importance of the US alliance with the ROK even though the US Defense Department is revamping a decade-old strategy that has focused on fighting near simultaneous wars in the ROK and the Gulf. After meeting with ROK Defense Minister Kim Dong-shin, Rumsfeld said it was still too soon to say how the US strategy review will affect the status of the 37,000 US troops stationed in the ROK. However, Rumsfeld told US senators earlier Thursday that the so-called two-war strategy is not working and that the US Defense Department is developing a new strategy that deals with a broader range of threats, including terrorism, cyberattack, and missiles and weapons of mass destruction. Kim, who described his talks with Rumsfeld as a "frank and honest" exchange of

opinions, said the two agreed on the need for a long-term US military presence on the Korean peninsula and to strengthen military readiness against the DPRK. Kim said they agreed that the DPRK "is posing threats to security of the Korean peninsula and the region through its nuclear and missile programs." He added, "In this regard, we agreed that it is necessary for North Korea to accept an inspection by the IAEA (International Atomic Energy Agency) and for the issues concerning North Korea's missile program to be resolved s soon as possible." Kim also said the US side reaffirmed its strong support for his "Sunshine Policy" of engaging the DPRK.

5. Taiwan Patriot Missile Tests

The Associated Press (Annie Huang, "ARMY FIRES A TEST OF PATRIOT MISSILES," Taipei, 6/21/01) reported that the Taiwanese army test- fired US Patriot missiles on June 20. The tests reportedly knocked down two airborne targets - a dummy missile and a dummy airplane. The tests were seen locally as a show of US support. However, analysts warned it will take more than a successful test to show Taiwan can withstand a barrage of the PRC missiles that some view as the greatest military threat to Taiwan. Local Taiwanese media reported US military personnel and contractors were to be at the test site, although Taiwan's military refused to discuss this or reveal many details about the missile firings. Many ordinary people were not impressed by Taiwan's latest show of weaponry. Taiwanese businessman Paul Hsu said, "Economic development may be more important than missiles. I don't feel safer now. The test-firing may be seen as provocative." Taiwan insisted it was not trying to provoke the PRC, but the Patriots were fired as the PRC was conducting massive war games in the region, including the mock invasion of a Taiwanese island. Taiwanese military officials called the timing coincidental. The army sought to play down the Patriot test, at least in comparison to other live-fire military exercises that frequently are turned into major media events. Analysts said Taiwan had shown little more than its ability to successfully fire the Patriots. Shih Hsiao-wei, who edits the monthly Defense International, said Taiwan still needs long-range radar and facilities to receive missile information from spy satellites. Shih said, "As it is now, we are hard pressed on warning time to knock down a missile." Still, Taiwan's army said the Patriot missiles, fired from the Chiu-Peng base in southern Pingtung, all hit their targets in "one of the major drills to test our air defense capability." The army did not specify in its brief statement how many missiles were fired or how many targets were hit. The official Central News Agency, quoting a military source it did not identify, said three missiles were launched and two targets went down. Analysts said the other missile likely was fired first to track the target missile and transmit data back to the base so a second Patriot could hit it. That would fit with the design of the US-made system that shoots down incoming missiles. [Ed. note: This article was included in the US Department of Defense's Early Bird news service for June 21, 2001.]

Agence France Presse ("CHINA SLAMS U.S. OVER TAIWAN'S PATRIOT MISSILE TEST," Beijing, 6/21/01) reported that the PRC on Thursday criticized the US for helping Taiwan to test-fire a US-made Patriot anti-missile system and demanded an end to all US arms sales to the island. PRC foreign ministry spokeswoman Zhang Quiyue said, "The assistance by the United States in having a test of the Patriot missile violates its commitments." Zhang said the test also violated the PRC's sovereignty and undermined the stability of the entire Asia-Pacific region. She said, "China expresses its strong opposition and dissatisfaction. We urge the U.S. side to stop its arms sales to Taiwan and military cooperation with Taiwan so as not to bring about more harm to China-US relations."

6. PRC-ROK Relations

Agence France Presse ("CHINESE LEADERS BACK SOUTH KOREAN 'SUNSHINE POLICY'

TOWARDS NORTH," Beijing, 6/20/01) reported that the PRC parliamentary chairman Li Peng and Prime Minister Zhu Rongji backed ROK moves towards improving ties with the DPRK during meetings with the ROK Prime Minister Lee Han-Dong on June 20. The PRC's state-run Xinhua news agency quoted Li telling Prime Minister Lee Han-Dong that the PRC has always been and will always be committed to maintaining peace and stability in the Korean peninsula. Li said he hoped the momentum from the summit between the two Koreas last year will continue and said the PRC expected concerned countries to do more to promote better relations between the two sides of the peninsula. The statements followed similar comments Tuesday by Zhu, who told Lee, "China has a very high opinion of the efforts made by the Republic of Korea (South Korea) for developing bilateral relations, and hopes the two sides would continue their efforts to push forward the overall development of cooperative partnership." Zhu said Lee's visit would give the countries an opportunity to push bilateral relations to a new high. Xinhua quoted Lee saying that the PRC has become the number two country to which the ROK's investment flows. During his visit, Lee is expected to meet PRC President Jiang Zemin and visit Shanghai.

7. Call for Stable Sino-US Relations

Agence France Presse ("AUSTRALIA, SINGAPORE CALL FOR STABLE US- CHINA TIES," Singapore, 6/20/01) reported that Singapore and Australia on Wednesday called for stable ties between the PRC and the US, saying these were vital to stability in the Asia-Pacific region. In a joint statement at the end of a two-day meeting of their defense, foreign and trade ministers, the allies also noted the contribution of the continued US presence to regional stability. They agreed to promote existing regional mechanisms for dialogue on security issues such as the Association of Southeast Asian Nations Regional Forum (ARF) to be held in Hanoi next month. The statement issued in Singapore said, "The ministers exchanged views on a wide range of international and regional issues. They noted the fundamental contribution of the US presence to regional stability. They underlined the importance of stable US-China relations to the region."

8. US Forces in Asia-Pacific

Sydney Morning Herald (Craig Skehan, "US RAISES POSSIBILITY OF MORE MILITARY BASES IN AUSTRALIA," 6/21/01) reported that the chief of the US mobility command, General Charles Robertson, raised the prospect of the US having greater access to bases in Australia and other countries in the region as the US increases its focus on security in Asia and the Pacific. Robertson said that US forces at present had only a "very, very small toehold in Australia", as well as New Zealand, Singapore, Thailand and the Indian Ocean. He added, "If our emphasis shifts south significantly and we can't take advantage of some of the old infrastructure that we used in the Vietnam era, then the answer to that is, yeah, probably we'll need to at least expand those toeholds." Robertson's comments come ahead of security talks between the US and Australia that have been brought forward to late July or early August. Those attending will include the US Secretary of State Colin Powell, US Defense Secretary Donald Rumsfeld, and the supreme commander of US forces in the Pacific, Admiral Dennis Blair. [Ed. note: This article was included in the US Department of Defense's Early Bird news service for June 21, 2001.]

9. US-Japan Military Relations

Pacific Stars and Stripes (Wayne Specht and Hiroshi Chida, "AS JAPAN TRIES TO CUT EXPENDITURES, DEFENSE PACT WITH U.S. IS TEMPTING TARGET," 6/20/01) reported that as Japan undertakes restoring economic order, Japanese Prime Minister Junichiro Koizumi will be examining contributions Japan makes to the US- Japan mutual security treaty. The treaty costs Japan approximately US\$2.2 billion this fiscal year, making it a fertile target during Japan's ailing economic condition. Lee Branstetter, assistant professor of economics and director of the East Asian Studies Program at the University of California at Davis, said that shortly after Makiko Tanaka was appointed Japan's foreign minister she stated unequivocally that the US-Japan security alliance would remain a cornerstone of Japanese foreign policy. However, she also stated that the nature of that alliance should be reviewed. A Japan Defense Facility Administration official said while reductions may happen, any cutback requests "are not on the table yet." Japanese Finance Ministry officials said if there are any reductions, they will not be made until the fiscal 2002 budget. Kensuke Ebata, an independent military affairs specialist and former chief of Jane's military publications in Japan, said key questions are where and how much Japan will cut the financial assistance to US forces. Ebata believes Japan has to think about how the US would react to cuts in defense support. Even among Japanese committed to the security alliance, some question whether so many US troops need to be stationed in Japan. US Forces Japan's commander, Lieutenant General Paul V. Hester, said in a recent Stripes interview he expects "security with Japan to be the premier piece of our engagement in the Pacific." Hester added that Japan must play "a key role" in the Bush administration's proposed shift of military focus from Europe to Asia because of the US-Japan security agreement that aims to protect Japan while maintaining stability in Asia. Branstetter said Japan's neighbors are not disturbed by the prospect of Japan reconsidering the exact details of its security alliance. He added, "Japan's neighbors would be disturbed if Japan were to amend its constitution in a way that gives the Japanese military greater legitimacy. I think that thoughtful individuals in the rest of Asia would be willing to countenance an increased role for the Japanese military as long as the Japanese military remained closely tied to the U.S. military in Asia. The exception to this is China." Branstetter said the PRC increasingly sees the US-Japan military alliance as something that exists to contain and counter their own military strength. [Ed. note: This article was included in the US Department of Defense's Early Bird news service for June 20, 2001.]

II. Republic of Korea

1. DPRK-US Talks

The Korea Herald (Hwang Jang-jin, "N.K. PUTS ENERGY DELAY ON TOP OF AGENDA FOR U.S. TALKS," Seoul, 06/19/01) reported that responding to a US overture to resume dialogue, the DPRK said Monday that the talks should focus on US compensation for delays in the provision of two nuclear reactors, while refusing to include conventional forces on the agenda. Pyongyang said in a statement that it is heedful of US President George Bush's June 6 proposal to restart talks between the counties. But the DPRK expressed doubt over whether the US truly wants dialogue, accusing Washington of unilaterally setting the agenda by including the reduction of the DPRK's conventional forces. "The issue of compensation for electricity losses due to the delay of the reactor construction should be a top priority item in negotiations," a spokesman of the DPRK's Foreign Ministry said in an official radio broadcast monitored in Seoul. The DPRK demanded the US pay for its failure to implement the 1994 Agreed Framework under which it froze its nuclear programs in return for two light- water reactors due to be completed by 2003.

The Korea Herald ("OBTAINING MONEY N.K.'S MAIN AIM IN UPCOMING U.S. TALKS," Seoul, 06/21/01) reported that ROK analysts said that while the US wants to talk military affairs, DPRK's main concern in any negotiations with its Cold War rival is to get cash aid. With the DPRK economy in a state of collapse, its insistence on US compensation for a delayed nuclear project and the way it seeks aid from the ROK and other nations is a clear indication of its intentions, according to diplomats following tentative Washington- Pyongyang contacts. It will take a long time to reach a

compromise on the agenda of future talks in light of the wide gap in positions, they added. "The utmost concern for North Korea remains lifting U.S. economic sanctions so that it can get loans from, say, the World Bank," said Lee Dae-woo of the private Sejong Institute. Analysts say that when full talks resume, the two sides are still likely to broach the DPRK's missile development and exports. "They would then move on to other issues, including special inspections of the North's nuclear facilities and finally, the reduction of conventional weapons," Kim Sung-Han of the state- run Institute of Foreign Affairs and National Security said. "North Korea has no alternative but to talk to the United States to obtain political and economic gains it needs to pull itself from current economic difficulties and famine," he said.

2. US on Talks with DPRK

The Korea Herald (Hwang Jang-jin, "ENVOY: U.S. WILL BE SOFT ON N.K. CONVENTIONAL ARMS," Seoul, 06/21/01) reported that a senior US envoy in Seoul hinted Wednesday that Washington would not try to press the DPRK on the reduction of the DPRK's conventional military forces in the initial stages of negotiations. Evans Revere, charge d'affaires at the US Embassy, said he expects the US to start the arms reduction talks with simple and easy issues, such as mutual notification and inspection of military exercises and the establishment of hot lines. The DPRK said Monday it will never discuss reducing its conventional military capabilities with the US unless American troops pull out of the ROK. It was the DPRK's first response to the US proposal early this month to resume talks covering a broad agenda on the DPRK's conventional military threat and its nuclear and missile development. The detailed agenda will be decided later, but the US will not intend to bring up tough issues, he said. Touching on the DPRK's nuclear issues, Revere stressed that Washington believes there is no ground for Pyongyang's demand for compensating the delay in the construction of nuclear reactors in the DPRK.

3. US on DPRK Demand

Joongang Ilbo (Kim Hee-sung, "U.S. DISMISSES NORTH'S DEMAND FOR ELECTRICITY COMPENSATION," Seoul, 06/19/01) reported that regarding DPRK's demand on Monday to compensate for its electricity loss which has allegedly came from the delay in light water reactor construction, the US simply downplayed the protest as 'groundless'. The US, nevertheless made it clear that it wishes to continue negotiations with the DPRK. Richard Boucher spokesman of US State Department when asked to give out commentary on recent DPRK's demand he pointed out that the US have and will always fulfill the responsibility of the Agreed Framework but finds no basis in compensating for the delay in light water reactor construction.

4. US to Track DPRK Nuclear Record

Chosun Ilbo (Lee Ha-won, "US TO TRACE NK'S PAST NUCLEAR RECORD," Seoul, 06/19/01) reported that the Bush Administration notified the ROK government recently that it would place a priority on tracing DPRK's past nuclear activity as laid out in the 1994 accord, a diplomatic source said Tuesday. The source commented that an official of the US National Security Council conveyed this to a Korean Embassy official in Washington, saying that improvement in the implementation of the accord would be the litmus test for upcoming dialogue between Washington and Pyongyang. The source continued that as the construction of light water reactors is being delayed, the US was concerned that it would lose the chance to investigate past developments. He added that the NSC official said if the DPRK fails to respond favorably to this, it would negatively impact on relations with the US, saying that Washington would no longer tolerate brinkmanship tactics.

5. EU to Increase its Contribution to KEDO

The Korea Herald (Hwang Jang-jin, "EU TO INCREASE KEDO CONTRIBUTION TO \$87.5 MILLION," Seoul, 06/20/01) reported that the European Union (EU) plans to provide about \$87.5 million by 2005 for an international project planning to build nuclear reactors in the DPRK, a member of the European Parliament said Tuesday. The EU has contributed a total of US\$75 million to the Korean Peninsula Energy Development Organization (KEDO) since it joined the consortium, led by the US, the ROK and Japan, in 1997. Glyn Ford, a DPRK expert in the parliament, said at a seminar in Seoul on "Change on the Korean Peninsula: the Relevance of Europe", the EU would play a bigger role in the provision of reactors to the DPRK, which he said is crucial to regional peace and security in Northeast Asia.

6. DPRK Intrusions Across the NLL

Chosun Ilbo (Yu Yong-won, "NK FREIGHTER DIVERTS FROM NLL AFTER ROKN WARNING," Seoul, 06/17/01) reported that the Joint Chiefs of Staff announced Sunday that a DPRK vessel sailing toward the Northern Limitation Line diverted toward open seas after receiving a warning from the ROK Navy. The 9,700-ton "Daedongkang" was detected at 7:00pm on Friday sailing 74 miles from the east coast port of Jeojin, but on receipt of the warning sailed out to 218 miles from the port. This is the first time a DPRK merchant ship has reacted to a warning after a series of intrusions across the NLL recently. The vessel had departed from Heungnam in the DPRK with its final destination being Nagoya, Japan. The JCS said that the vessel was not carrying any freight.

7. DPRK Official to Tour S.E. Asia

Joongang Ilbo ("SPA CHAIRMAN KIM YONG-NAM TO TOUR SOUTHEAST ASIA," Seoul, 06/19/01) reported that Kim Yong-nam DPRK's Chairman of the Presidium of the Supreme People's Party (SPA) otherwise known as the second highest man of the DPRK is expected to tour around the Southeast Asia region starting from late this month to mid-July. According to the source in Hanoi, Vietnam Kim is expected to take off on June 26. The first place he'd officially arrive as a state guest will be Cambodia followed by Laos and then Vietnam. More is to be unveiled for the details but the source expects Kim to travel additional 2~3 nations and reach Vietnam sometime around July 11 as his final destination. The source said the recent travel aims to renew the relations with former-communist nations and express gratitude toward their aid-support to the world's major rice producing nations like Thailand, Vietnam and other nations. At the same time Kim could ask for further aid.

8. DPRK Chairman's Inspections

Joongang Ilbo ("OVER 140 ECONOMIC INSPECTIONS BY CHAIRMAN, REPORTS N.K. NEWS," Seoul, 06/19/01) reported that DPRK Chairman Kim Jong- il has so far conducted 140 economic inspections to various factories and industrial complexes in his regime, reported Korea Central Broadcast on Monday. Man Il-hong the vice-minister of Light Industry said in his Monday's interview that Chairman Kim visited conducted over 140 inspections to economic sites since the start of his political career back in June 1964. "During his on- spot-guidance he tasted our own food and resolved the problems that has kept us with concern," Man added. Man also said that during the Period of Arduous March - around 1995~1997 - Chairman Kim after dropping by fabric and food factory in Sakju region went to inspect textile and grape wine factory in Kanggye province. He also looked around Daehongdan Potato Starch Factory in Ryangang region and several more.

Chosun Ilbo (Yoo Yeong-won, "KIM JONG IL VISITS NAVAL UNIT," Seoul, 06/19/01) reported that a

high-ranking source in the ROK government said Tuesday that when a DPRK cargo ship, the 9,700ton "Daedongkang," which attempted to violate the Northern Limited Line (NLL), detoured after receiving a warning from the a ROK Navy warship, DPRK leader, Kim Jong Il was making an inspection of one of the DPRK naval bases nearby in charge of guarding the DPRK's NLL area of the East Sea. The source said the detour of the "Daedongang" was possibly related to Kim's visit to the unit, but that there was no convincing proof that can support this assumption. Kim is known to have inspected other military units including air force bases in the neighborhood that day.

9. PRC President to Visit DPRK

Joongang Ilbo ("PRESIDENT JIANG ZEMIN SAID TO VISIT NORTH KOREA IN SEPTEMBER," Seoul, 06/19/01) reported that Kyodo News Service, the PRC and the DPRK have agreed that PRC President Jiang Zemin will make an official visit to the DPRK in September as head of the PRC Communist Party, a well-informed source said Saturday. The source, who is knowledgeable about PRC- DPRK relations, said the two sides are still working out the concrete schedule for the visit. DPRK leader Kim Jong-il officially invited Jiang to Pyongyang during his visit to Shanghai in January. The source said that a senior PRC Foreign Ministry official or an official from the PRC Communist Party's International Liaison Department will likely travel to the DPRK around August to finalize the schedule for Jiang's visit.

III. People's Republic of China

1. DPRK-US Talks

China Daily (Xinhua News Agency, "DPRK NOT HAPPY WITH US PROPOSAL," Tokyo, 06/19/01, P12) and People Daily (Xinhua News Agency, Li Zhengyu, "DPRK OPPOSES US UNILATERAL PROPOSAL," Pyongyang, 06/19/01, P3) reported that a DPRK Foreign Ministry spokesman said on June 18 that it was cautious about US overtures to resume and expand talks with the DPRK, expressing doubt over whether the US truly wanted to improve relations with DPRK. In its first official reaction to US President Bush's proposal to resume negotiations on missile and nuclear proliferation issues, the spokesman accused Bush of unilaterally setting the agenda for the talks. According to the official Korean Central News Agency monitored in Tokyo, the spokesman said, "It is noteworthy that the new US administration proposed to resume DPRK-US dialogue which it unilaterally had put under suspension for four months." "But we can not but remain vigilant against its real intention. By those topics of discussion, it means the so-called nuclear, missile and conventional armed forces-related issues of the DPRK. We cannot construe this otherwise than an attempt of the US to disarm the DPRK through negotiations," noting that previous bilateral talks held during former US President Bill Clinton's administration had been in conformity with the interests of both sides and produced results helpful to improving bilateral relations. He pointed out all problems existed in DPRK-US bilateral relations are due to US's DPRK policies. He said DPRK maintains its conventional forces to defend the severe threat from US and its allies, adding that it will absolutely not discuss with US about its conventional forces before US withdraws its forces deployed in ROK. The most realistic and important issue currently concerns of the light- water reactors, the spokesman stressed. DPRK's top issue for discussion is how to compensate its electric loss due to the delay of light-water reactors.

2. US May Abolish ABM Treaty

People Daily (Xinhua News Agency, Tang Shuifu, "POWELL: US MAY ABOLISH ABM TREATY IF NECESSARY," Washington, 06/19/01, P3) reported that US Secretary of State Colin Powell said on June 17 that if the 1972 ABM treaty becomes the obstacle for US to develop its NMD system, US will unilaterally abolish this treaty. When interviewed by the Fox Sunday News, Powell said the time when ABM treaty was signed is different from that of nowadays. We have expressed clearly our attitudes on carrying out NMD system, and will not let this treaty bind the US to develop its technology. He said that as soon as the US Department of Defense considers the ABM treaty as restraining the development of missile technology, it will make decision on this treaty. Besides, Powell said in a NBC TV program that the ABM treaty is a product of Cold War that is no longer existing.

3. Japan on US Missile Defense

PLA Daily (Xinhua News Agency, Zhang Huanli, "JAPAN HAS DIFFERENT VOICES ON NMD," Tokyo, 06/15/01, P4) reported that in a discussion with Japanese parties not in office on June 13, Japanese Prime Minister said the missile defense program proposed by the new Bush Administration will probably lead to new arms expansion. He stressed this is such an important issue that will affect arms management and world security, for which Japanese Government should carry out prudent research and discussion. Jiefang Daily (Xinhua News Agency, Zhang Huanli, "JAPAN WILL NOT PARTICIPATE IN US MISSILE DEFENSE PROGRAM," Tokyo, 0618/01, P3) reported that on June 17, Japanese Director-General of Defense Agency made a statement on TV, saying that currently Japan has not participated in US missile defense program. He said, although Japanese Government continues to collaborate with the US on R&D of theater missile defense program, Japanese Constitution prohibits Japan to join in Bush's missile defense program including theater missile defense program. Concerning this program, in the past, Japanese Government's attitude was that Japan understood US's research.

4. PRC on Japan's View of US Missile Shield

Wenhui Daily (Pan Xiaoying, "FROM UNDERSTANDING TO NON- PARTICIPATING," 06/19/01, P2) carried a commentary on Japanese Government's shifting attitudes to US missile defense program. The author concluded four reasons for Japanese shifting attitudes from understanding to nonparticipating. First reason is the world opinion speaks against of US NMD program. Even amongst US's NATO allies, they cannot reach agreement on backing US NMD program. Japanese new administration adopts a cautious attitude on this issue, declaring that Japan needs to conduct further research and discussion concerning US missile defense program. Secondly, Japanese domestic opposition contributed to this changing posture of Japanese Government. Since May 1 when US President Bush proposed to develop NMD system, Japanese media released commentaries accusing that this program will lead to world instability. The third consideration of Japanese Government comes from the new definition of missile defense system (no distinction between NMD and TMD). Under this background, Japan considered that if Japan were involved in the R&D, it might be against its peace constitution. Finally, the new program writes it needs huge amount of money input, but no specific number. Since 1999, Japan has injected ten thousand billions of Japanese yen into the TMD program. Owning to the recession of Japanese economy, domestic opinions are increasingly against Japanese Government wasting more money on US missile defense program.

5. Russia-US Summit Meeting

Jiefang Daily (Xie Rong, Yan Feng and Huang Qiang, "SMILE ON FACE, DIVERGENCE IN HEART,"

Ljubljana, 06/18/01, P3) carried an article on Russia-US summit talks. The US and Russia presidents held first summit in Ljubljana, failing to eliminate divergences between the two countries on ABM treaty and NATO eastward expansion, but showing enthusiasm on recovering existing cold bilateral relations. The article said this outcome is within expectation. Before the summit meeting, it said, both sides released in many occasions that the divergences would not possibly be solved in one short meeting, which is mainly to provide for the two leaders an opportunity to meet each other and set a macro- pattern for bilateral relations. It is clear that Bush and Putin are all managing to create a harmonious meeting atmosphere. Evidences have shown that both Russia and the US begin to emphasize positive dialogues due to concern for respective interests. The US adjusts its foreign policies is because of this. Bush's unilateralism has met severe setbacks in the past few months, internationally isolated and domestically unsatisfied. From the Russian perspective, it is in Russia's interests to oppose US's NMD system. Meantime, it is also very clear that it is irreversible for US to develop its NMD system. Based on this consideration, Russia seeks to consult with the US actively. Besides, Russia realized that it is unable to balance US alone, whose economic development also needs US's aid. However, within such a short time, the two countries cannot build real confidence and solve major divergences.

6. Shanghai Cooperation Organization

Jiefang Daily (Zhang Mo, "BIRTH OF SHANGHAI COOPERATION ORGANIZATION," Shanghai, 06/16/01, P5) reported that on June 15, the Jiefang Daily and Shanghai Association of International Relations co-held a seminar, discussing the birth and impact of Shanghai Cooperation Organization (SCO). All experts present agreed that the establishment of SCO is of milestone significance, which implies that "Shanghai Five" regime has transited from a forum to a regional cooperation organization and field of cooperation has expanded from regional security to political, economic and cultural issues. "Shanghai Spirit" advocated by the SCO signifies the formation of a new type of security perspective and new type of international relations and regional security cooperation model, which will play a positive role in facilitating the establishment of proper international political and economic order and the world multi-polarization. Some expert said that the SCO reflects an open cooperation model of partners but not allies without directing any third country. Other opinions said that the SCO is a phase outcome within the process of normalization and rationalization of power relations. In this SCO framework, PRC- Russia bilateral relations will become more mature and stable. Put in the international background, this new cooperation model provides precious experiences for international community to give up Cold-War mentality and probe for new security perspectives and new type of international relations.

The NAPSNet Daily Report aims to serve as a forum for dialogue and exchange among peace and security specialists. Conventions for readers and a list of acronyms and abbreviations are available to all recipients. For descriptions of the world wide web sites used to gather information for this report, or for more information on web sites with related information, see the collection of <u>other NAPSNet resources</u>.

We invite you to reply to today's report, and we welcome commentary or papers for distribution to the network.

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