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#### **I. United States**

#### **1. US-DPRK Diplomacy**

Reuters (Paul Exkert, "NORTH KOREA WARNS SKEPTICAL U.S. ON NUCLEAR TALKS," Seoul, 10/22/02) reported that the DPRK, facing pressure to scrap a secret nuclear weapons program, warned the US Tuesday it would take unspecified "tougher counter-action" if the US did not accept talks on the issue. Breaking its silence over last week's revelation, the DPRK said the US must "opt for reconciliation and peace." "If the US persists in its moves to pressurize and stifle the DPRK (North Korea) by force, the latter will have no option but to take a tougher counter-action," the ruling party daily Rodong Simmun said in a statement carried by the DPRK's official Korean Central News Agency. On Monday, DPRK number two leader, Kim Yong-nam, told the ROK's visiting unification minister that the DPRK was ready for dialogue. The US ambassador in Seoul, speaking Tuesday, said that the US sought to pre-empt a crisis through diplomacy, but that the DPRK had exhausted its credibility with the secret nuclear program that broke a previous negotiated settlement. "We have very little basis for trust in North Korea, very little basis for confidence that further dialogue will lead to a solution," said envoy Thomas Hubbard.

The Washington Post (Mike Allen, "BUSH PLEDGES DIPLOMATIC APPROACH TO NORTH KOREA," 10/22/02) reported that US President Bush vowed yesterday to enlist other world powers in persuading the DPRK to scrap its nuclear-weapons project but indicated he has no plans to use force as he might with Irag. "This is a chance for people who love freedom and peace to work together to deal with an emerging threat," he said. "I believe we can deal with this threat peacefully, particularly if we work together." Bush said he would use meetings over the next week with leaders of the PRC, Japan, Russia and the ROK to discuss how to persuade North Korean leader Kim Jong Il "that he must disarm." "We had a bit of troubling news when we discovered the fact that, contrary to what we had been led to believe, that they were enriching uranium, the idea of developing a nuclear weapon," Bush said. "We felt like they had given their word they weren't going to do this." White House press secretary Ari Fleischer responded coldly to an offer from the DPRK for talks about its nuclear programs, saying that consultations with allies would come first. "International pressure will come to bear on North Korea to make them realize the dangers that they are pursuing, in terms of the future for them will be increasingly isolated if they go down the road that they have indicated they're going down," he said. "The people who have got the most at stake, of course, in this posture are the people who are his neighbors," Bush said. [The Washington Times article originally appeared in today's edition of the US Department of Defense's Early Bird news summary.]

The New York Times (Elisabeth Bumiller, "BUSH SEES KOREAN NUCLEAR EFFORT AS DIFFERENT FROM IRAQ'S," Washington, 10/21/02) reported that US President Bush said today that the DPRK leader, Kim Jong Il, had to disarm his nation "for the sake of peace," but indicated that he saw a significant difference between the DPRK's development of nuclear weapons and Iraq's pursuit of them. "It is a troubling discovery, and it's a discovery that we intend to work with our friends to deal with," he told reporters in the Oval Office after a meeting with the NATO secretary general, Lord Robertson. "I believe we can do it peacefully. I look forward to working with people to encourage them that we must convince Kim Jong Il to disarm for the sake of peace." In contrast, Bush said he was threatening military action against President Saddam Hussein of Iraq because his case was "unique" in that he had gassed his own people and "thumbed his nose" at United Nations resolutions for more than a decade. Some US officials have suggested that Russian companies have been among the DPRK's suppliers, though they indicated that the Russians provided less crucial technology than did Pakistan. Deputy Russian foreign minister, Georgi Mamedov, appeared to put

the blame for the showdown with the DPRK, at least in part, on the US administration's new doctrine of military pre-emption and its inclusion of the DPRK as part of an "axis of evil." "We think that such statements may aggravate the situation and don't facilitate constructive solution of the nonproliferation issues," Mr. Mamedov said. [The New York Times article originally appeared in today's edition of the US Department of Defense's Early Bird news summary.]

#### 2. US DPRK Nuclear Attack on Japan Suspicions

The Associated Press ("UNITED STATES SUSPECTS NORTH KOREA OF EYEING NUCLEAR ATTACK ON JAPAN," Tokyo, 10/22/02) reported that the US suspects the DPRK of developing nuclear weapons for a potential attack on Japan, a Foreign Ministry official guoted Japan's special envoy to Washington as saying Tuesday. Former Prime Minister Ryutaro Hashimoto, who met US Deputy Secretary of State Richard Armitage last week in Washington, briefed Foreign Minister Yoriko Kawaguchi on the issue Tuesday, the official said on condition of anonymity. He declined to say why Armitage suspected the DPRK of targeting Japan and wouldn't provide other details. Hashimoto was told by US diplomats that the UD suspects DPRK of developing the weapons for an attack across the Sea of Japan, according to the Foreign Ministry official. Hashimoto also told Kawaguchi that the US wants Japan to press the DPRK hard on the issue of reining in nuclear weapons when Japan and DPRK diplomats meet next week in Kuala Lumpur, Malaysia, the official said. No one at Hashimoto's office was available for comment late Tuesday night. The news came as the mayor of Hiroshima, the first city ever to suffer an atomic attack, appealed to DPRK leader Kim Jong Il to scrap his nuclear aspirations. "Nuclear weapons are an absolute evil," mayor Tadatoshi Akiba wrote in Tuesday's open letter. "I demand that you think deeply about what nuclear weapons hold in store for all of us, and immediately terminate your nuclear weapons program."

#### 3. PRC Response to DPRK Nuclear Program

Reuters ("CHINA DENIES HELPING N.KOREAN NUCLEAR PROGRAMME," Beijing, 10/21/02) reported that the PRC dismissed US accusations that it helped the DPRK's nuclear-weapons program as baseless rumors and urged all sides on Monday to resolve the issue through peaceful political dialogue. "What you said in your question is absolutely unfounded rumor," a Foreign Ministry spokeswoman said when asked for the PRC's reaction to accusations by US officials last week that the PRC helped the DPRK's uranium-enrichment programme. "The Chinese side consistently supports the de-nuclearisation of the Korean peninsula to safeguard peace and stability there," she stated. "We think the North Korean nuclear issue should be solved peacefully through dialogue and consultation." US Assistant Secretary of State James Kelly held "very useful and productive" talks in Beijing on the issue last week, a State Department spokesman has said. Proliferation of PRC weapons technology is expected to be high on the agenda when President Jiang Zemin meets U.S. President George W. Bush at his Texas ranch on Friday.

Reuters ("CHINA URGES TALKS OVER NORTH KOREAN NUCLEAR PROGRAM," Beijing, 10/22/02) reported that the PRC China said Tuesday it was concerned over its ally the DPRK's revelations that it has been working on a secret nuclear weapons program, and urged talks on the issue. PRC Foreign Ministry spokesman Liu Jianchao also called for the preservation of a 1994 agreement under which the DPRK would freeze its nuclear weapons program in exchange for energy assistance from the US. DPRK officials have called the agreement invalid, but the US hasn't yet taken a position on the issue. "We hope the relevant countries will peacefully solve the nuclear issue through dialogue and negotiations," Liu told reporters at a regularly scheduled news conference. "And we also hope that the 1994 agreed framework between (North Korea) and the United States can be implemented," Liu said, adding that the pact was "of great importance" to peace and stability on the Korean

Peninsula.

### 4. DPRK-ROK Relations

The Associated Press (Choe Sang-hun, "SOUTH KOREA STRUGGLES TO PERSUADE NORTH KOREA TO ABANDON NUCLEAR AMBITIONS," Seoul, 10/22/02) and Agence France-Presse ("INTER-KOREAN TALKS STALL OVER NORTH'S NUCLEAR STANCE," 10/22/02) reported that high-level talks in Pyongyang between the DPRK and ROK have stalled after an all-night session failed to produce agreement on a joint statement on the DPRK's nuclear weapons program. The dispute was mainly over the ROK's demand that the DPRK pledge to meet nuclear safeguard accords in a joint statement wrapping up the four-day inter-Korean meeting, officials in Seoul said Tuesday. "Working-level officials from both sides had tough negotiations until dawn but failed to narrow differences," an ROK official stated. The ROK has demanded the DPRK clarify its position on its nuclear weapons program and stick to a 1994 agreement on nuclear arms control, according to pool reports. The DPRK has been reluctant to do so. The inter-Korean meeting opened Sunday to discuss reconciliation projects. But it was overshadowed by the nuclear crisis.

The Associated Press (Choe Sang-hun, "NORTH KOREA AGREES TO DIALOGUE TO RESOLVE NUCLEAR FUROR 39 MINUTES AGO," Seoul, 10/22/02) reported that the DPRK agreed Wednesday to resolve international concerns over its nuclear weapons program through dialogue, but stopped short of meeting a US demand for an immediate end to its nuclear ambitions. The ROK and DPRK delegates held a series of meetings past midnight Tuesday in Pyongyang seeking a last-minute deal and postponing the departure of a chartered plane at a Pyongyang airport to take the South Korean officials back to Seoul. "In order to guarantee peace and stability on the Korean Peninsula, the South and North will actively cooperate in resolving all the issues, including the nuclear issue, through dialogue," said their agreement, which was announced early Wednesday and carried by pool reports from ROK journalists. The eight-point agreement didn't contain a clear-cut DPRK promise to give up its nuclear weapons program and honor its agreements with the US, the ROK, and the UN International Atomic Energy Agency, which require it not to develop or possess nuclear bombs.

#### 5. Cross-Straits Relations

Agence France-Presse ("TAIWAN PARLIAMENT CALLS ON CHINA TO REMOVE BALLISTIC MISSILES," 10/22/02) reported that Taiwan's parliament has passed a motion demanding the PRC remove the hundreds of ballistic missiles deployed near the island and settle the sovereignty dispute by peaceful means. Tuesday's motion, proposed by the ruling Democratic Progressive Party, urged the PRC to dismantle its ballistic missiles targeting Taiwan. "The two sides should reopen talks as swiftly as possible to tackle the sovereignty dispute," it said. Taiwanese President Chen Shui-bian earlier this month renewed his demand that the PRC remove "immediately" the 400 missiles it has targeted at the island and renounce the use of force against his country. The call came ahead of the Sino-US summit October 25 between PRC President Jiang Zemin and President George W. Bush in Crawford, Texas.

## 6. US PRC War on Terror FBI Office

Reuters ("ASHCROFT TO OPEN CHINA FBI OFFICE IN WAR ON TERROR," Beijing, 10/22/02) reported that US Attorney General John Ashcroft is due in the PRC from Japan on Tuesday to open an FBI attache office and hold talks with PRC officials on law enforcement in the war on terror, a US embassy official said. "He is coming to discuss two topics -- the legal aspects in the counter-terror

campaign and the FBI attache office here," an embassy spokeswoman said on Tuesday. Ashcroft is scheduled to arrive in Beijing hours after PRC President Jiang Zemin left for the United States where he will meet US President George W. Bush at his ranch in Crawford, Texas. The Beijing office is aimed to address a range of issues including organised crime, human trafficking, fraud and counterterrorism, FBI officials said. The FBI has more than 40 overseas offices already, staffed with about 150 agents, known as legal attaches. It has said the Beijing office would have one to two agents, and the embassy said office staff were already in Beijing.

#### 7. Jiang-Bush Summit

Reuters (Michael Colon, "CHINA'S JIANG ZEMIN ARRIVES FOR U.S. VISIT," Chicago, 10/22/02), Agence France-Presse ("BUSH RANCH AWAITS JIANG'S LAST STAND," 10/22/02), Agence France-Presse ("JIANG HEADS FOR BUSH SUMMIT WITH IRAQ AND N KOREA," 10/22/02) reported that PRC President Jiang Zemin arrived in the United States on Tuesday for his third meeting with President Bush in a year, a session likely to produce a show of unity despite unresolved issues ranging from nuclear arms proliferation to Irag. The 76-year-old Jiang stepped off a plane in a heavily guarded area of O'Hare International Airport, greeted by a US Navy brass band and about 1,000 members of the city's Chinese community who shouted "warm welcome" and waved tiny red and gold Chinese flags. He was welcomed on a red carpet by Chicago's mayor, Richard Daley, Motorola Inc. Chairman Christopher Galvin and other political and business leaders. The arrival was free of protesters, 700 of whom marched in downtown Chicago the day before to raise human rights issues. Jiang was to meet later with business and political figures at a reception and then an evening banquet sponsored by the Chicago Council on Foreign Relations. On Wednesday he heads to Texas for Friday's informal summit at Bush's ranch. He also plans to attend an annual meeting on Asia-Pacific economic leaders in Mexico along with the U.S. president. White House officials said Bush would discuss with Jiang the DPRK's newly disclosed nuclear weapons program as well as Iraq and cooperation in the war on terrorism. The US is seeking a unified position from Japan and the ROK, as well as the PRC and Russia, in dealing with Pyongyang in light of the ongoing effort to develop a nuclear weapons.

## 8. Japan DPRK Aid

The New York Times (James Brooke, "NORTH KOREA'S A-ARMS PROJECT JEOPARDIZES AID, JAPAN SAYS," Tokyo, 10/22/02) reported that Japan will stop financing two nuclear reactors in the DPRK and suspend talks on normalizing relations if there is no progress on ending the DPRK's clandestine nuclear weapons program, Japan's lead negotiator said today. "Of course the negotiations would halt," the official, Katsunari Suzuki, told Japanese reporters. If Japan determined that the DPRK "is carrying out nuclear development, then we must suspend at a minimum, and in certain cases, must think about terminating it," he added. Prime Minister Junichiro Koizumi, however, issued a caution about the normalization talks, which are to start October 29 in Malaysia, saying, "One must not assume they are doomed from the start." Today James A. Kelly, an assistant secretary of state, met with Foreign Minister Yoriko Kawaguchi and Shigeru Ishiba, Japan's senior military official. "We are now in sync with the Japanese," a US diplomat said after Kelly left for Washington at the end of his five-day trip to Beijing, Seoul and Tokyo. "They have said they are not going to give any money without resolution of the nuclear issues." He noted that the agreement signed last month by Prime Minister Koizumi and DPRK leader, Kim Jong Il, went into great detail about the kind of loans to be extended to the DPRK Deferring to sensitivities in Japan, which ruled Korea during the first half of the 20th century, the DPRK dropped the historically loaded word "compensation," using the more neutral phrase "economic cooperation." [The New York Times article originally appeared in today's edition of the US Department of Defense's Early Bird news

#### 9. PRC Military Export Rules

Reuters ("MONDAY OCTOBER 21, 2:42 PM CHINA TIGHTENS RULES ON MILITARY EXPORTS," Beijing, 10/21/02) reported that the PRC published new regulations on Sunday on the export of military goods in its latest effort to curb proliferation of weapons technology, the official Xinhua news agency said. The move followed the issue of rules on exports of dual-use chemical and biological agents last week and on exports of missile technology in August, which analysts say are all aimed at meeting US demands that the PRC tighten controls on such transfers. The revised regulations on military exports were jointly approved by the State Council, China's cabinet, and the Central Military Commission (CMC), which commands the armed forces, and would go into effect on November 15, Xinhua said. They covered "military equipment, special production facilities, and materials, technologies and services for military purposes", it said. Under the new rules, major military export projects and contracts should be approved by the State Council and CMC, it said. The Foreign Ministry said on Saturday that the PRC had issued rules controlling exports of certain chemicals and related equipment to "further complete China's export control of dual-use chemicals and related equipment and technologies". The US has said it would watch how China implemented the missile-related regulations before it decided whether to lift US sanctions.

#### **10. DPRK Light Water Reactors**

Reuters (Park Sung-woo, "N.KOREA REACTOR WORK, OIL SUPPLY UNCHANGED - OFFICIAL," Seoul, 10/21/02) reported that the DPRK's admission that it had a secret nuclear arms program in violation of a 1994 agreement has not halted work on building a nuclear reactor under that pact, a senior ROK official said on Monday. The ROK official in charge of planning for two light water reactors being built in the DPRK said fuel oil shipments to the DPRK and a meeting on Tuesday in Pyongyang to discuss telecommunications links to the project were going ahead. "We will continue to be committed to the project unless reverse decisions are made, but so far we were not notified of any modifications to the ongoing projects," Chang Sun-sup, a Unification Ministry official, stated. "So far we had no disruptions in fuel oil supply to North Korea, and have completed October delivery, and we expect the remaining shipments this year to be made as planned," Chang said. Other scheduled events -- including a meeting on nuclear liability between the two Koreas in late October and on-the-job training in Seoul for about 40 to 50 North Korean engineers in mid-November -- were unaffected so far, Chang said.

#### **11. Japan DPRK Abduction Victims**

The Associated Press (Kozo Mizoguchi, "KIDNAP VICTIMS MAY STAY LONGER IN JAPAN BEFORE RETURNING TO NORTH KOREA," Tokyo, 10/22/02) reported that the five Japanese abduction victims may stay longer than was originally planned, officials said Tuesday. The five, the only known survivors of at least 13 Japanese kidnapped by DPRK agents in the 1970s and 80s, arrived last week for what was expected to be a stay of one or two weeks. But officials on Tuesday said the visit may be extended if the abductees express a desire to stay longer. "Nothing has been decided yet in concrete terms," said Harumi Kumagai, an official with the Cabinet office handling the five abductees' stay. Kumagai said officials would discuss the matter with the five and then set a date. The five abductees include two couples - Yasushi Chimura and Fukie Hamamoto, and Kaoru Hasuike and Yukiko Okud, and Hitomi Soga. The returnees have given only brief comments since arriving in Japan last Tuesday, shedding little light on why they were kidnapped or what they did in the years immediately afterward. But Hasuike has said the DPRK never imposed a time limit on the returnees' homecoming and that the decision to leave their children behind was their own. Even if the abductees want to stay in Japan, it was unclear whether they could. The DPRK has indicated to the Japanese government that it would like the five to return to the DPRK by next Monday. The DPRK then suggested that the abductees' family members in Japan visit the DPRK after that, the report said.

## II. Republic of Korea

#### 1. DPRK Responses

Joongang Ilbo (Kim Jin, Lee Young-jong, "NORTH SAYS IT IS TAKING RECENT ISSUE SERIOULY," Seoul, 10/22/02) reported that in the first public acknowledgment of the new situation created by the disclosure of its secret nuclear weapons project, DPRK's No. 2 leader and head of state Kim Yong-nam said Monday that DPRK is "taking the recent issue seriously." US Secretary of State Colin Powell, meanwhile, took pains in a US television appearance over the weekend to avoid pronouncing the 1994 US-DPRK nuclear agreement dead. Both ROK and US repeated statements that nothing had been decided on the next step. During meetings with ROK's unification minister, Jeong Se-hyun, in Pyongyang, Kim said, "We are prepared to resolve the security issues through dialogue if the United States is willing to withdraw its policy of hostility toward the North." An ROK Unification Ministry official, Rhee Bong-jo, acting as spokesman for ROK, said Kim did not use the word "nuclear." "We focused on the nuclear issue," Rhee said, "and DPRK indicated that it was preparing to state a position on this issue." Kim's acknowledgment was followed by a Radio Pyongyang broadcast that said the 1994 agreement stands at "a grave crossroads" of possible nullification because of the delay in the delivery of nonmilitary nuclear reactors, which had been "the key point in the agreement" between DPRK and US.

#### 2. 3 Countries Cooperative Solution

Joongang Ilbo (Lee Young-jong, Oh Young-hwan, "NO EARLY SOLUTION SEEN, AS DIPLOMATS SEEK A WAY OUT," Seoul, 10/22/02) reported that ROK officials have spent a third day in Pyeongyang, their meetings overshadowed by last week's revelation of DPRK's secret nuclear development program. By neither confirming nor denying such a program or its intentions, observers here said Monday, DPRK may be probing for a way out that could provide it some gains. The resolution may be quite some time off, as ROK and US officials seem ready to let diplomacy run its full course. The Japanese Foreign Ministry's head of Asian-Pacific affairs, Hitoshi Tanaka, arrived in Seoul to begin consultations. The discussions are believed to be in preparation for Saturday's meeting of the Asia-Pacific Economic Cooperation group in Mexico. The US, Japanese and ROK leaders will discuss the North Korean nuclear issue. The Blue House said Monday that recent reports about a possible repudiation of the 1994 agreement by US had been "distorted," indicating that it did not believe suspension of heating oil supply and nuclear reactor construction was part of US's plan. A Radio Pyongyang broadcast said that DPRK had complied "more than 100 percent" with the 1994 agreement. A diplomatic source in Washington said there is a concern in the US administration that a decision to completely break from the agreement might prompt an acceleration of DPRK's nuclear weapons program.

#### 3. Suspected Sites of Nuclear Program

The Korea Herald (Shin Yong-bae, "US PINPOINT 3 SUSPECTED SITES IN NORTH KOREAN NUCLEAR PROGRAM," Seoul, 10/22/02) reported that US has indicated the Academy of Sciences near Pyongyang as being one of three sites where it suspects DPRK carried out uranium-enrichment tests in connection with its admitted secret nuclear program, a diplomatic source said Monday. The other two sites US mentioned are the Hagap region located in Hwicheon, Jagang Province, and Yeongjeo-dong in Yanggang Province, about 20km from the PRC border, according to the source. US informed ROK of the three testing-grounds several days after a US high-level delegation led by Assistant Secretary of State James Kelly entered DPRK earlier this month, the source said. Analysts suggested the DPRK chose to enrich uranium, rather than DPRK's initial choice, plutonium, to facilitate a nuclear weapons technology that is easier to hide and more reliable, although harder to assemble. ROK officials refused to comment on the allegation that the US delivered intelligence regarding the suspected nuclear sites to ROK government, citing issues of confidentiality.

#### 4. Ambassador Hubbard's Comment

Chosun Ilbo (Lee Kil-sung, "AMBASSADOR HUBBARD SAYS US WILL NOT ATTACK NK," Seoul, 10/22/02) reported that US Ambassador Thomas Hubbard said Tuesday the US government seeks a peaceful resolution to the DPRK nuclear weapons issue through dialogue and that DPRK must suspend development to show it was following international agreements. Ambassador Hubbard said US has no intention to attack and destroy DPRK and would approach the matter in close cooperation with allies ROK and Japan. Hubbard was speaking at a conference sponsored by the World Economic Institute at the Lotte Hotel in Seoul. Hubbard noted that DPRK only acknowledged its clandestine nuclear weapon development program, after US Assistant Secretary of State for Asian and Pacific Affairs James Kelley told his counterpart, Kang Suk Ju of US's evidence. He said Kelly immediately reported DPRK's acknowledgment to the ROK and Japanese governments on his way back to the US. However, in consideration of DPRK-ROK dialogue underway at the time an official announcement was postponed. Hubbard commented Japanese Prime Minister Koizumi also knew about DPRK's acknowledgement before his visit to Pyongyang and US had no intention to interrupt his visit to DPRK. The ambassador said that DPRK was mistaken if it thought it would acquire some economic benefit from its acknowledgment, and should know its nuclear development would only be another obstacle producing more economic difficulties

#### 5. Bush's Desire for Peaceful Resolution

Chosun Ilbo (Joo Yong-joong, "BUSH SEEKS PEACEFUL RESOLUTION WITH NORTH KOREA," Washington, 10/22/02) reported that amid escalating controversy over DPRK's nuclear weapons program, US President George W. Bush said US would work closely with its allies to prevent a security crisis on the Korean peninsula. At a White House news conference on Monday (local time) President Bush told reporters DPRK's admission to having a secret nuclear development program was "troubling, sobering news." But he expressed optimism in solving the issue peacefully by working closely with Asian allies, including PRC and ROK. Bush plans to make his case in meetings with leaders from ROK, PRC and Japan on the sidelines of the APEC summit, coming up this weekend in Mexico and called on these nations to cooperate in persuading DPRK's Kim Jong-Il to dismantle the program. He said this will be a major topic of discussion during PRC President Jiang Zemin's visit to his ranch near Crawford, Texas on October 25, three-way summit talks with ROK and Japanese leaders on the 26th, and a meeting with Russian President Vladimir Putin.

#### 6. DPRK's Cooperation with Iran

Chosun Ilbo (Kim Yeon-kuk, "ISRAEL DAILY SAYS NK EXPERIMENTING IN IRAN," Seoul, 10/22/02) reported that the Israeli Ha'aretz Daily reported Monday that DPRK has been experimenting with enriched uranium production and long-range missile engines in Iran. Ha'aretz said this was part of a deal in which DPRK constructed a centrifugal separator for enriched uranium production and provided long-range missile engine technology to Iran. The daily quoted US experts as saying DPRK supplied missile construction technology to Pakistan in 1990 in return for receiving help in developing the centrifugal machine for the enriched uranium production, and DPRK is currently working with Iran. It said DPRK's deal with Iran was to hide its activities from intelligence agents of the US and DPRK's neighboring countries. Foreign sources said the North Korean separator in Iran has reached the production stage, but they do not know of any progress or how much uranium Iran has handled from the separator. According to them, DPRK tested a 3,500-5,000km-range missile (Daepodong) engine in Iran and Iran began to develop the "Sihap-5" missile based on this.

## III. People's Republic of China

#### **1. PRC-US Relations**

People's Daily (Wang Fasi, "JIANG'S VISIT TO US SIGNIFICANT AND FAR-REACHING: CHINESE AMBASSADOR," Washington, 10/21/02, P3) reported that in an exclusive interview with Xinhua News Agency, Yang Jiechi, PRC Ambassador to US, said on October 20 that PRC President Jiang Zemin's visit to US later this month will be a significant and far-reaching event in the bilateral relations and would achieve a complete success with the joint efforts of both sides. Commenting on the PRC-US relations, Yang said that the world situation has seen important changes and the bilateral relations have been characterized with something new in the past year, but the bilateral ties have witnessed obvious improvements and developments on the whole, which shows again that the two nations share extensive and important common interests despite differences. A constructive and cooperative PRC-US relationship is not only in the common interests of both peoples, but also the expectation of the whole world, Yang added. On the Taiwan issue, Yang said that properly handling the Taiwan issue is key to ensuring the steady and healthy development of bilateral relations. On bilateral anti-terrorism cooperation, Yang said cooperation has been conducted fruitfully by the two sides and PRC is willing to join hands with US and the international community to strengthen anti-terror cooperation on the basis of mutual benefit, thus contributing to preserving world peace and security.

## 2. PRC Security Policy

China Daily ("RULES AMENDED FOR MILITARY MATERIALS," 10/21/02, P1) reported that a set of revised regulations governing the export control of military goods, first implemented on January 1, 1998, will be put into effect on November 15. The report said that the goods include military equipment, special production facilities and materials, and technologies and services for military purposes. It reported that military goods for export should be placed on a special management list. Major projects and contracts should be scrutinized by the authorities in conjunction with related departments of the State Council and Central Military Commission, then submitted to the council and the commission for approval in accordance with the revised regulations, as the report said.

China Daily (Meng Yan, "CONTROL ON CHEMICAL EXPORTS TIGHTENED," 10/21/02, P1) reported that PRC tightens controls on the export of dual-use chemicals, chemical equipment and technologies by issuing new measures and a list of chemicals and chemical equipment and technologies that will be subject to strict export controls. PRC Foreign Ministry spokeswoman Zhang

Qiyue said that "these measures will further complete China's export control of dual-use chemicals and related equipment and technologies". Zhang reiterated PRC's strong support for the total ban and the eradication of all weapons of mass-destruction and opposition to any country in anyway developing, possessing, producing or using chemical weapons or the proliferation of them. PRC Ministry of Foreign Trade and Economic Co-operation (MOFTEC) spokeswoman Gao Yan said the measures are significant in implementing PRC's non-proliferation policy and they fulfill PRC's international obligations, safeguard its national safety and social public interests and standardize its export controls of sensitive items. According to the report, Zhang added that PRC would continue to conduct normal and legitimate international chemical exchanges and co-operative activities with other countries in accordance with this purpose.

China Daily (Shao Zongwei, "EXPORT CONTROL FULFILS DUTIES: NEW RULES SHOW CHINA'S WILL TO RESTRICT BIOLOGICAL WEAPONS," 10/18/02, P1) reported that the newly issued Regulations on Export Control of Dual-use Biological Agents and Related Equipment and Technologies helps fulfil PRC's international non-proliferation obligations and aids normal trade and economic co-operation. It reported that PRC Foreign Ministry spokeswoman Zhang Qiyue said on October 17 commenting on the State Council regulations that they signified a further improvement of legislation on export control. Stressing that PRC attaches importance to and will continue to conduct exchanges and co-operation for peaceful purposes in the biological field, Zhang said that the rules will help regulate such activities between PRC and other countries. In the report, Zhang added that PRC has always opposed the proliferation of biological weapons and has taken a full set of strict export control measures. On the same day, spokeswoman for the Ministry of Foreign Trade and Economic Cooperation (MOFTEC) Gao Yan said her ministry will work with other departments to take effective measures to guarantee the strict implementation of the regulations and push forward legislation on PRC's export control. Commenting on Iraq issue, Zhang said that it is PRC's consistent policy to respect the independent choice made by the people of the country on the election of their leaders. Zhang also answered questions on the Bali explosion issue, said the report.

#### 3. US-DPRK Relations

China Daily ("US SAYS DPRK ADMITS TO NUCLEAR ARMS PROGRAM," Washington, 10/18/02, P11) reported that US said on October 16 local time that confronted with US evidence, the DPRK acknowledged it was operating a secret nuclear weapons program. In a stunning development that opened up the possibility of a new crisis in Asia, State Department spokesman Richard Boucher said in a written statement that during a meeting with Assistant Secretary of State James Kelly on October 4 in Pyongyang the DPRK acknowledged that a uranium enrichment programme had been under way for several years. According to the report, US officials said that US had made no decision on the next steps with DPRK, which has made clear that it wants more co-operation with the international community. The report said that Russian Foreign Minister Igor Ivanov told reporters on October 17 that Russia would consult with the DPRK over the US allegations. Ivanov said he could not comment on the US charges until after discussions with DPRK and other states. The UN's nuclear watchdog said the same day that it was very concerned about US allegations that the DPRK admitted running a secret nuclear weapons program, said the report.

#### 4. DPRK-ROK Relations

People's Daily (Zhao Jiaming and Xu Baokang, "INTER-KOREAN MINISTERIAL TALKS KICKED OFF," Pyongyang, 10/21/02, P3) reported that the eighth inter-Korean ministerial talks started on October 20 in Pyongyang and the two sides exchanged views on related issues. The report said that in his keynote speech, Kim Ryong Song, chief delegate of the DPRK said that great progress has

been made in inter-Korean cooperation, unity and reconciliation since the adoption of the June 15 North-South Joint Declaration. ROK's spokesman for the talks Rhee Bong-jo said that the atmosphere of the meeting is "heavy and serious," and ROK delegation raised the issue of nuclear weapons in the DPRK and expressed its stand on this issue, while the DPRK side just listened without any response. The report said that the two sides exchanged views on some agreements arrived at the seventh ministerial level talks including inter-Korean railways and roads linking and industry park building. The report also said that the ROK delegation arrived in Pyongyang on October 19 and the meeting will end on October 22.

#### 5. Northeast Countries' Response to DPRK Nuclear Issue

China Daily ("STABILITY STRESSED," 10/18/02, P11) reported that PRC Foreign Ministry spokeswoman Zhang Qiyue reiterated on October 17 at a regular press briefing that PRC supports denuclearization on the Korean Peninsula as well as maintaining peace and stability in the region. The report said that the nuclear issue in the DPRK should be resolved peacefully through dialogue and consultations, Zhang added.

China Daily ("MEETINGS ON DPRK NUKE ISSUE HELD," 10/19-20/02, P1) reported respective response of PRC, ROK, US, Japan, Russia on DPRK acknowledging nuclear program. As for PRC, Foreign Ministry spokeswoman Zhang Qiyue said that "we hold that the nuclear issue in the DPRK should be solved through peaceful means, through dialogue and consultations" while confirming the visit of US Under Secretary of State John Bolton and Assistant Secretary James Kelly to PRC on October 18, with whom PRC officials discussed the issue of nuclear weapons development by the DPRK. ROK said on October 18 that it would draw the DPRK into cabinet-level talks in Pyongyang this weekend to discuss the DPRK's alleged nuclear weapons program. On October 17 US said it wanted a diplomatic solution to end the DPRK's nuclear weapons program rather than threatening military action as it has against Iraq for its alleged arms programs. Japan also said that continued dialogue with DPRK was the best way to serve its national interest. However the Russian foreign ministry angrily denied the October 18 allegations from US that it had helped the DPRK develop its alleged nuclear weapons program to put pressure on them in talks.

#### 6. Russia-US Relations

China Daily ("IVANOV AND POWELL TO RESOLVE DIFFERENCES ON IRAQ IN UN," 10/18/02, P11) reported that Russian Foreign Minister Igor Ivanov and US Secretary of State Colin Powell agreed during telephone talks on October 17 trying to resolve differences on Iraq within the UN Security Council. Russian foreign ministry said in a statement that Ivanov and Powell agreed that one of the key questions was to preserve the unity of the UN Security Council and its five permanent members, said the report.

#### 7. Cross-Straits Relations

China Daily (Xing Zhigang, "MAINLAND OFFERS TAIWAN GOODWILL GESTURE," 10/18/02, P1) reported that PRC confirmed on October 17 a relaxation in the wording describing future sea and flight routes across the Taiwan Straits, which will now be called as "cross-Straits" routes rather than "domestic" routes. The report said that the goodwill gesture is seen as a major effort by mainland to push ahead with the establishment of cross-Straits trade, communications and postal services.

According to the report, analysts said the move signals PRC's strategic change in defining the links, which has been a bone of contention between Taiwan and mainland and also a block to talks on the "three direct links". However, a government source in Beijing told China Daily that the change in wording does not necessarily mean PRC has backed away from its long-held and cherished one-China principle. The report said that Taiwan local officials gave a cautious welcome to the reported move, hailing it as a goodwill gesture. Secretary-general of the "national security council" was quoted as saying that "the change is encouraging" while "details need to be discussed by both sides". The three major parties and communications officials on the island have also expressed their welcome, as the report said.

#### 8. PRC Commentary on Shanghai Co-operation Organization

China Daily ("SHANGHAI BODY READY FOR CHALLENGES," 10/16/02, P4) carried a commentary that Shanghai Co-operation Organization has encountered rare opportunities to develop as well as severe challenges in the situation that has emerged since last year's September 11 terrorist attacks on the US. According to an article in the Beijing-based bimonthly magazine International Studies, the six-member multilateral body can play a bigger role in the international crusade against terrorism and in economic co-operation only after its operating mechanisms have been strengthened and improved. Moreover the development of the organization, while confronting harsh challenges from changes in the region's political, economic and strategic structure, also enjoys rare opportunities, the article points out. The article said that nearly all countries in Central Asia have taken part in the global "anti-terrorist" coalition, thus creating a favorable environment for the organization's members to strengthen security co-operation and establish an anti-terrorist mechanism in the region. In the meantime, the changes in Central Asian geopolitics and the improved relations between the region's countries and the West will bring more Western funding and technology to the region, creating an advantageous climate for economic and energy cooperation between the organization's members, the article said. In the St. Petersburg assembly in June, leaders of the organization's member countries jointly issued an important political declaration, summing up the organization's past experience and drawing up a program for its further development. It is believed that, through joint efforts, the organization will play a more important role in safeguarding regional and international security, advancing economic cooperation, and promoting world peace and development, the article concludes.

## IV. Japan

#### **1. Multinational Naval Cooperation**

The Japan Times ("MARITIME MEET FEATURES NAVIES FROM 17 COUNTRIES," 10/10/02) reported that a four-day maritime meeting opened in Tokyo featuring navies from 17 countries to exchange information and promote cooperation, the Maritime Self-Defense Force (MSDF) said. The MSDF is sponsoring the biennial Western Pacific Naval Symposium to commemorate the 50th anniversary of the naval force's inauguration. Officers plan to discuss regional and global matters to promote mutual understanding and encourage regional confidence-building, the MSDF said. The 17 symposium members are Australia, Brunei, Cambodia, the PRC, Indonesia, Japan, Malaysia, New Zealand, Papua New Guinea, the Philippines, Russia, Singapore, the ROK, Thailand, Tonga, Vietnam and the US. Canada, Chile, France and India are participating as observers. The MSDF began participating in the symposium from its second meeting, held in 1990 in Bangkok. The MSDF sponsored the fifth meeting.

The Japan Times ("MSDF COMMEMORATES 50 YEARS IN SHIP SHAPE," 10/14/02) reported that the Maritime Self-Defense Force (MSDF) held Japan's first international naval review to commemorate its 50th anniversary. Aboard the MSDF destroyer Shirane, Prime Minister Junichiro Koizumi, commander in chief of the SDF, viewed a fleet of battle ships anchored at Tokyo Bay that included 17 vessels from 11 foreign countries. "In particular, we are honored with the participation of three vessels, including a submarine from Russia and a beautiful sailing ship that traveled a great distance across the Pacific Ocean from Chile," the prime minister said in his address to the gathering. Koizumi also touched on the MSDF's ongoing logistic support in the US-led military campaign against terrorism in the Indian Ocean and last year's shootout between Japan Coast Guard patrol ships and a North Korean spy ship. He said he believes that multinational cooperation of defense authorities contributes to global peace and stability.

#### 2. Japan on OPEC Meeting

The Japan Times ("MINISTERS MAY MISS APEC MEETING," 10/12/02) reported that Japan may not send a minister to an upcoming meeting of the Asia-Pacific Economic Cooperation (APEC) forum in Mexico because the trade and foreign ministers are expected to be busy with an extraordinary Diet session, officials said. Hiranuma is likely be questioned in connection with a scandal in which Tokyo Electric Power Co. covered up damage at nuclear reactors. It would be the first time a Japanese minister has not attended the annual ministerial conference since APEC was launched in 1989. Senior vice ministers of trade and foreign affairs are likely to attend the Oct. 23-24 meeting in Los Cabos in place of Takeo Hiranuma, economy, trade and industry minister, and Foreign Minister Yoriko Kawaguchi, the officials said. Prime Minister Junichiro Koizumi, however, will take part in the APEC summit Oct. 26 and 27, as he is expected to hold a three-way meeting with US President George W. Bush and South Korean President Kim Dae Jung on the sidelines to discuss North Korean issues, they said.

**3. Japan Nuclear Energy Administration** The Japan Times ("HIRANUMA POSITIVE ON NUCLEAR AGENCY SPINOFF," 10/12/02) reported that Takeo Hiranuma, minister of economy, industry and trade, voiced confidence over a proposal to spin off the Nuclear and Industrial Safety Agency from METI to enhance the agency's role. But Hiroyuki Hosoda, state minister in charge of science and technology affairs, did not share Hiranuma's optimism. "Currently, there is the dual-check system by the Nuclear and Industrial Safety Agency and the Nuclear Safety Commission," Hosoda told a news conference. There have been calls for the nuclear safety watchdog to be made an independent entity since a series of cover-ups of reactor problems by nuclear power companies, including Tokyo Electric Power Co., came to light. The agency is working under the supervision of METI, which promotes nuclear policy. Aomori Gov. Morio Kimura is among those advocating independence for the nuclear safety agency. Kimura indicated he might not allow spent nuclear fuel to be shipped to his prefecture if the national government fails to properly address safety concerns raised by the recent scandals.

#### 4. US Bases in Okinawa

Kyodo ("JAPANESE YOUTHS COMPLETE U.S. AIR BASE INTERNSHIPS," Naha, 10/13/02) reported that twelve Japanese students from a municipally operated language institute in Kadena, Okinawa Prefecture, recently completed internships on the US air base in the town to experience working in an American environment. Amid public concerns over aircraft noise and various other problems involving the Kadena Air Base, the 12 students, who are studying at the Kadena Language Institute, expressed enthusiasm for their experiences on the base. The institute opened in 1998 using funds

from the Japanese government's base-related expenses with the aim of developing human resources that can promote internationalization. The institute is open to people aged 18 to 20 who have graduated from high school and live in Kadena. Classes are free of charge. The students, who completed internships at an American school and other facilities, including US military offices on the base, say there may be problems involving the facility, but they believe internships in an American setting in Japan are a unique experience that only Okinawa can offer.

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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