

# NAPSNet Daily Report 24 December, 1998

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#### I. United States

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#### 1. ROK-Japan Hotline

Dow Jones Newswires ("JAPAN CONSIDERS ESTABLISHING HOTLINE WITH S.KOREA--KYODO," Tokyo, 12/24/98) reported that Japan's Kyodo News Service said that the Japanese Defense Agency moved closer Thursday to a decision to set up an emergency line with the ROK Defense Ministry. Agency officials said that Japanese Defense Agency chief Hosei Norota will submit a proposal on the idea and seek ROK Defense Minister Chon Yong-taek's approval at a meeting between the countries' top defense officials to be held in Seoul in early January. The report said that Norota is expected to strongly push for an agreement as a way of coping with any foreseeable rise in tension between the US and the DPRK over the issue of inspections of the DPRK's suspected underground nuclear facilities. The proposal seeks immediate reports by the ROK side to the agency or Japan's Self-

Defense Forces in the event of a military clash between the ROK military and a vessel of undetermined nationality in ROK territorial waters or international waters near Japanese territorial waters. The agency also proposes to relay to the ROK any information it has gathered in the event of a DPRK missile launch. The officials said that once the two sides have reached an agreement on the ministerial level, deliberation councils in both countries are expected to study the specific form the information relay system would take. Any information before a situation reaches emergency status or regarding either countries' alert status would not be included in the proposed setup because such an exchange of defense data would violate the prohibition against collective security in Japan's Constitution.

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# 2. Taiwan Toxic Waste Exports

The Associated Press (Ker Munthit, "CAMBODIAN WASTE PROBE MOVING SLOWLY," Phnom Penh, 12/24/98) reported that that Pol Lim, deputy chairman of the committee assigned to investigate the 3,000 tons of mercury-tainted waste from the Taiwanese Formosa Plastics Corporation, said Thursday that it is still unclear who authorized the shipment. Pol Lim stated, "There are several irregularities in the processing of the papers. We cannot say now who or how many people were involved because we have not been able to establish any concrete evidence." He added that the probe is proceeding slowly because import papers do not show who approved the shipment. A court has detained the president of the local import-export company that negotiated the passage of the waste through customs, Sam Moeurn. He faces up to five years in prison for importing a hazardous substance. The local Sihanoukville newspaper Koh Santepheap also reported that a second dump of thousands of tons of waste had been found near the port. The waste, resembling videotape, was packed in bags with Korean writing. In Taiwan, Lee Chih-chun, general manager of Formosa Plastics, disputed allegations that the company paid bribes of US\$3 million. Lee said that the Cambodian agent was paid US\$300,000 for transport and disposal. Taiwanese Prime Minister Vincent Siew ordered officials to investigate and clear up any misunderstandings. Taiwan's Environmental Protection Bureau has said it will send a team to Cambodia with officials from a third country and will order Formosa Plastics to take back the waste if proved hazardous.

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#### 3. Alleged Technology Transfer to PRC

The New York Times (Jeff Gerth, "C.I.A. IGNORED REPORT OF PAYMENTS TO CHINESE FOR SATELLITE CONTRACTS," Washington, 12/24/98), and the Wall Street Journal (David S. Cloud, "FORMER HUGHES CONSULTANT IS QUERIED ON HIS BUSINESS DEALINGS IN CHINA," Washington, 12/24/98) reported that federal and congressional investigators are looking into the business dealings of Bansang Lee, a consultant once hired by Hughes Electronics Corporation, as part of the probe into possible technology transfers to the PRC. Lee has been questioned twice in recent months by investigators after they were given a copy of a 1996 Central Intelligence Agency cable laying out allegations that Lee may have tried to bribe Chinese officials. In what officials describe as an oversight, the allegations were not transmitted at that time to the Justice Department for possible investigation. The matter is now one of the issues before a federal grand jury. [Ed. note: This article was included in the US Department of Defense's Early Bird news service.]

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#### 4. Indian Nuclear Development

Reuters (Sanjeev Miglani, "INDIA SAYS NO TURNING BACK ON NUCLEAR PROGRAM," New Delhi, 12/24/98) reported that Indian Foreign Minister Jaswant Singh said on Thursday that there was no question of India reversing its nuclear program. Singh stated, "The May tests are a fact that cannot be disinvented. No question of rolling back any of this program." He added, "I don't think there are any problem areas (in talks with the US). There are issues on which there is insufficiency of harmonization of views." He said that the Indian government was seeking to build domestic consensus on the Comprehensive Test Ban Treaty (CTBT). He stated, "There is greater realization of the altered ground realities, India is not at a disadvantage as it was in 1996," when Indian political parties unanimously opposed the CTBT. He added, "Using the data base, India can maintain the credibility of its nuclear deterrent using computer simulation and subcritical testing." Singh also maintained, "India's nuclear program has not been driven (by Pakistan), and is not Pakistan-centric." Meanwhile, Pakistan said on Thursday that a defense pact signed between Russia and India this week threatened regional and global peace.

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#### 5. Indian-PRC Relations

The Associated Press ("INDIA FOREIGN MIN SAYS TALK OF STRATEGIC TRIANGLE PREMATURE," New Delhi, 12/24/98) reported that Indian Foreign Minister Jaswant Singh said Thursday that it is too early to talk of an India-Russia-PRC strategic triangle. Singh stated that any "strategic relationship with China is a consequence of improvement of relations." He added that both sides were still working out "concerns." He said that the idea of the strategic triangle had not been put forward in any formal proposal to Indian leaders.

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#### 6. Russian Subcritical Tests

The Associated Press ("RUSSIA CONDUCTED 5 SUB-CRITICAL NUCLEAR TESTS FROM SEPT-DEC," Moscow, 12/24/98) reported that the Interfax news agency quoted Russian Deputy Nuclear Energy Minister Lev Ryabev as saying on Thursday that Russia conducted five sub-critical nuclear tests at an Arctic testing range between September 14 and December 13. Ryabev said that weapons-grade plutonium and enriched uranium were used during the tests, but "there was no discharge of nuclear energy."

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# 7. Russian Nuclear Exports

The Associated Press ("RUSSIA'S 1998 NUCLEAR INDUSTRY EXPORTS SEEN EXCEEDING \$2 BLN," Moscow, 12/24/98) reported that Russian Deputy Nuclear Energy Minister Lev Ryabev said Thursday that Russia's nuclear industry exports are expected to bring in US\$2 billion to US\$2.2 billion this year, a four-fold increase since 1991. Ryabev added that Russia's revenues from nuclear exports are likely to further increase in the future, partly because of deals to build nuclear power plants in the PRC, India, and Iran. He said that Russia is also working on deals with several unspecified African and Middle Eastern countries to build floating nuclear power plants. He noted that Russia is also selling uranium from decommissioned nuclear weapons to the US under deals that bring in US\$500 million to US\$600 million each year.

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# 8. US Nuclear Production

The New York Times (Matthew L. Wald, "NUCLEAR ARMS ISOTOPE TO BE MADE IN CIVILIAN REACTORS," Washington, 12/23/98) reported that the US Energy Department announced Tuesday that it will use three of the Tennessee Valley Authority's civilian reactors to make tritium for nuclear weapons. US Energy Secretary Bill Richardson acknowledged that the arrangement breaks down a longtime distinction by using a civilian reactor for military purposes. However, he said that the deal encouraged nuclear non-proliferation because it eliminated the need for the US to build an expensive new military plant that would be far larger than needed if new arms control agreements are signed. The department's last reactor for making tritium was shut for safety reasons 10 years ago. Congress would have to approve the plan. The Alliance for Nuclear Accountability, a coalition of 28 environmental and peace groups, said the decision is "unnecessary, undermines non-proliferation efforts, wastes taxpayer dollars, and threatens public health." However, Paul Leventhal, president of the Nuclear Control Institute, a Washington-based group advocating non-proliferation, said that using existing reactors was "the cheapest, most assured method of producing tritium on an asneeded basis."

# II. Republic of Korea

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# 1. DPRK Policy toward ROK

JoongAng Ilbo ("DPRK ABOLISHED SECRETARY IN CHARGE OF PROGRAMS AGAINST ROK," Seoul, 12/23/98) reported that the DPRK abolished the secretary position in the Worker's Party of DPRK which oversees programs with the ROK. The DPRK revised its party secretary system to make Kim Jong-il personally in charge of programs involving the ROK. Experts in DPRK affairs analyzed that this revision foretells a change of DPRK policy towards the ROK. A high-ranking official in the government said, "Kim Jong-il has revised organizations involved in affairs towards the ROK. Recently, he dismissed Kim Yong-sun and participated in these affairs himself." He continued, "Kim Yong-sun is now only in charge of open programs with the ROK, such as the Mt. Kumgang tour." The ROK government recently confirmed this fact on the basis of DPRK defector Hwang Jang-yop's analysis of photos and statements coming from DPRK.

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# 2. DPRK Economic Policy

Korea Herald ("DPRK EXPECTED TO CONCENTRATE ON ECONOMY NEXT YEAR," Seoul, 12/24/98) reported that DPRK leader Kim Jong-il is expected to focus on solving economic difficulties facing the DPRK next year, according to an ROK government report. However, the DPRK will find it difficult to recover from its economic meltdown, said the report, which the Unification Ministry released Wednesday. The DPRK economy has continued to decline for the past nine years. Last year, it contracted 6.8 percent. Ministry officials said that less than 20 percent of factories are operating in the DPRK, adding that its external trade is most likely to decrease because of the financial crisis in Asia. Furthermore, the famine-stricken DPRK is expected to continue suffering from food shortages next year. According to government figures, the DPRK produced 3.89 million tons of grain this year, 1.60 million tons short of next year's needs. Four years of chronic food shortages caused by floods, drought and government mismanagement have left the DPRK's economy in tatters and its people heavily reliant on foreign aid. In an effort to resuscitate its moribund economy, the report said, the DPRK may designate Nampo, Wonsan, or the Mt. Kumgang area as a free economic zone and allow individuals to engage in private business.

# 3. Mt. Kumgang Tour

Chosun Ilbo ("KOREAN-CHINESE DRIVE BUSES AT MOUNTAIN KUMGANG," Seoul, 12/24/98) reported that Hyundai Business Group announced Thursday that it has employed 25 Korean-Chinese tourist bus drivers at the Mount Kumgang tourist area. Seventy additional bus drivers, they added, will be replaced by Koreans living in the PRC, in order to increase local employment in the tourist project. Hyundai also plans to employ more Korean-Chinese for other jobs such as guards.

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#### 4. 2002 World Cup

Korea Times ("DPRK TO BE OFFERED 2 WORLD CUP MATCHES," Tokyo, 12/24/98) reported that the head of the ROK football association plans to ask the DPRK to host two of the finals matches in the 2002 World Cup, which the ROK is co-hosting with Japan. "I am thinking about staging two matches in Pyongyang," Chung Mong-Jun, who is also vice president of the world soccer governing body FIFA, was quoted as saying by the influential Japanese daily Asahi Shimbun. It was the first time that Chung mentioned a specific number of matches in his plan to involve the DPRK in the premier sporting event, Asahi said. If the plan is realized, it will also help form a joint ROK-DPRK team for the 2002 World Cup, Chung told the newspaper. More than 60 matches involving 32 teams were played in the 1998 World Cup finals in France. Chung visited the DPRK last week to discuss with DPRK officials several issues, including the hosting of some matches of the 2002 World Cup and the fielding of a joint team, an ROK said official earlier.

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# 5. ROK-PRC Cultural Exchange

Korea Herald ("ROK-PRC AGREE ON CULTURAL EXCHANGE PROGRAM," Seoul, 12/24/98) reported that the ROK and the PRC have agreed on a cultural exchange program as a follow-up measure to implement the joint declaration adopted at the summit between their leaders last month. The program agreed on at the third ROK-PRC Joint Cultural Committee meeting in Beijing on Tuesday contained action plans for the next two years. Under the program, the two countries will take concrete measures to enhance bilateral exchanges in arts, education, film, publication and other cultural fields, the Ministry of Foreign Affairs and Trade said Wednesday. The PRC vowed to cooperate with the ROK in the proposed joint study of the ancient history of the two countries, ministry officials said. It also promised to help the ROK preserve the relics of the ROK's independence movement during Japan's colonial rule that remain in PRC.

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 <a href="https://doi.org/10.1001/journal

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

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