

# NAPSNet Daily Report 26 January, 1998

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## **I. United States**

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

The Washington Post carried a letter to the editor from Arnold Kramish, a former member of the Manhattan Project and the U.S. Atomic Energy Commission ("NORTH KOREA'S DECEPTION," 01/26/98, A22) which responded to an earlier opinion article by Victor Gilinsky and Henry Sokolski. [Ed. note: See "[Light-Water Reactor Project](#)" in the US Section of the January 20 Daily Report.] The letter said that, while the DPRK's Yongbyon nuclear reactor had been producing plutonium prior to the negotiation of the Geneva agreed framework, the amounts were too small to worry about for many years to come. However, the author stated that "the North Koreans -- through deceptive stratagems -- convinced most analysts, inside government and out, that the reactor also was producing electrical power, thus deceiving the world into believing that the plutonium-producing potential and accumulated stockpile were four to five times what they were." The author argued that

the "situation was not adequately analyzed, either in historical context or in technical terms, to justify the immediate panic that almost led to military action against North Korea."

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## **2. DPRK Youth Leader Replaced**

The BBC World Service ("NORTH KOREAN YOUTH LEAGUE LEADER DISMISSED," 01/26/98) reported that according to unnamed sources, Chong Ryong-hae, leader of the Kim Il-sung Socialist Youth League, has been dismissed from his post and replaced by Ri Il-Hwan. The sources said that Chong was removed due to ill health by a plenary meeting of the League's central committee.

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## **3. ROK-Japan Fisheries Dispute**

The Wall Street Journal (Michael Schuman, "CONFLICT OVER FISHING INTENSIFIES BETWEEN SOUTH KOREA AND JAPAN," Tokyo, 01/26/98) and the Associated Press (Sang-Hun Choe, "SKOREA FISHERMEN MARCH ON EMBASSY," 01/24/98) Seoul reported that a Japanese official said that eight ROK fishing boats entered off-limit waters off the coast of northern Japan early Sunday to protest Japan's decision to pull out of the 1965 bilateral fishing treaty. On Saturday, hundreds of ROK fishermen and activists marched on the Japanese Embassy in Seoul. On Sunday, ROK President-elect Kim Dae-jung told former assistant US secretary of state Richard Holbrooke, "I had planned to take action after I take office to improve Korea-Japan relations but the Japanese decision put me in a difficult position."

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## **4. ROK Financial Crisis**

The Wall Street Journal (Stephen E. Frank, "BANKS NEAR AGREEMENT ON SOUTH KOREAN DEBT," New York, 01/26/98) reported that international banks and the ROK government are close to an agreement to convert much of the ROK banking system's short-term foreign currency debt into government-guaranteed loans.

The Wall Street Journal (Michael Schuman and Marcus W. Brauchli, "KIM SAYS KOREA'S FULL RECOVERY FROM CRISIS MAY TAKE 5 YEARS," Seoul, 01/26/98) reported that ROK President-elect Kim Dae-jung stated in an interview that the ROK economy will not begin to recover from the financial crisis until the end of next year. He added that the number of unemployed could more than double to one million. However, Kim predicted that by the end of his term five years from now, the ROK will have worked through its problems and have become a "truly advanced country." He stated, "If we had true democracy, we would not have the massive, collusive ties between business and government." Kim also said that he has ordered an inquiry into the causes of the country's economic problems. However, he added, "We are not thinking of punishing anyone at this point. We want the truth of the matter."

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## **5. ROK-Taiwan Relations**

The AP-Dow Jones News Service ("SOUTH KOREA, TAIWAN FAIL TO SECURE CLOSE TRADE TIES," Taipei, 01/26/98) Taiwan Economics Minister Wang Chih-kang said Monday that resuming the ROK-Taiwan ministerial meeting that was held annually before the ROK switched diplomatic

recognition to the PRC is essential for the two countries to improve trade ties. He also said that Taiwan will continue with its plan to ship nuclear waste for storage in the DPRK. The plan has been stalled as Taiwanese authorities have yet to approve the DPRK storage facilities. The official Central News Agency quoted an ROK trade representative in Taipei as saying the resumption of ministerial meetings would be difficult "for the reason you all know."

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## **6. Taiwan-PRC Relations**

The Associated Press (Charles Hutzler, "CHINA ENTICES TAIWAN INTO TALKING," Beijing, 01/26/98) and Reuters (Justin Jin, "CHINA SOFTENS TERMS FOR TALKS WITH TAIWAN," Beijing, 01/26/98) reported that the PRC offered on Monday to renew talks on reunification with Taiwan, saying that Taiwan would not need to recognize the PRC's sovereignty as a precondition. Tang Shubei, deputy director of the Taiwan Affairs Office in the PRC Cabinet, stated, "We don't believe that for the two sides to negotiate, Taiwan must first recognize the central government of the People's Republic of China as a precondition." However, he added that Taiwan must "pledge that there is one China and Taiwan is a part of China." Also, PRC Foreign Minister Qian Qichen, in a speech carried by state media, called for increased contact between the semi-official agencies both sides use to handle relations. Meanwhile, Chang King-yu, chairman of Taiwan's Mainland Affairs Council, said Monday, "We are ready to resume dialogues. But we want to reiterate that such talks must be held with no preconditions."

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## **7. Taiwan Elections**

Reuters (Lawrence Chung, "TAIWAN'S NATIONALISTS BOUNCE BACK IN LOCAL POLLS," Taipei, 01/24/98) reported that Taiwan's ruling Nationalist Party won 49 percent of 890 local council seats and 55 percent of 319 township mayoralities in voting held Saturday. The opposition Democratic Progressive Party, which dominated magistrate elections in November, won 16 percent of the council seats and 19 percent of the township posts. Independent candidates won 32 percent of the council seats and 25 percent in the townships, while the New Party took only three percent in the councils and failed to gain a single township post. The Taiwan Independence Party took just one council seat.

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## **8. Downing of KAL Flight 007**

The New York Time (Michael R. Gordon, "NEW AIR CHIEF IN RUSSIA HAS NO REGRET ON KOREAN JET," Moscow, 01/24/98, A4) reported that the newly appointed as head of the Russian Air Force, Colonel General Anatoly Kornukov, said that he did not regret his decision to shoot down Korean Air Flight 007 over Sakhalin island in 1983. Kornukov stated, "I will always be sure that the order was given correctly. If something like that would happen now, I would act the same way."

# **II. Announcements**

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## **1. ROK Labor Colloquium**

The Center for Korean Studies, University Of California at Berkeley, will hold a colloquium entitled, "The Korean Congress of Trade Unions: Challenges and Opportunities," on Friday, January 30, 1998, 2:30-4:00 p.m., at the Institute of East Asian Studies, 2223 Fulton Street, 6th Floor Conference Room, Berkeley, California. The featured speaker will be Young-kil Kwon, Chairman, the Korean Congress of Trade Unions. Kwon also participated in the ROK's presidential race in December. He will speak on the origin of the trade union movement in the ROK, its current challenges, and opportunities. This talks is free to the public. For more information, please contact the Center for Korean Studies, University of California, 2223 Fulton Street, Room 508, Berkeley, CA, 94720; (510) 642-5674.

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## **2. New Book on DPRK Nuclear Crisis**

The following announcement describes the new book by Leon V. Sigal, "Disarming Strangers: Nuclear Diplomacy with North Korea" (Princeton: Princeton University Press).

"In June 1994 the United States went to the brink of war with North Korea. With economic sanctions impending, President Bill Clinton approved the dispatch of substantial reinforcements to Korea, and plans were prepared for attacking the North's nuclear weapons complex. The turning point came in an extraordinary private diplomatic initiative by former President Jimmy Carter and others to reverse the dangerous American course and open the way to a diplomatic settlement of the nuclear crisis.

"In this lively and authoritative study of how the conflict originated, escalated, and was ultimately defused, Leon V. Sigal reveals how intelligence failures, South Korean and International Atomic Energy Agency intransigence, and an American mindset that prefers coercion to cooperation in dealing with other nations, nearly led to a second Korean war. Based on in-depth interviews with policy-makers from all the countries involved, Sigal discloses the inside details of the buildup to confrontation, American refusal to engage in diplomatic give-and-take, the Carter mission, and the diplomatic deal of October 1994.

"In so doing, this book raises some larger issues about American foreign policy after the cold war -- about an American foreign policy establishment that prefers coercion when conciliation is more likely to serve its national interests and the persistence of that mindset in an era when America's unwillingness and inability to expend unlimited resources abroad will require it to act less unilaterally and more in concert with other nations.

"What the Cuban missile crisis was to fifty years of superpower conflict, the nuclear crisis with North Korea is to the coming era. It has important implications for how we address the challenge of nuclear proliferation in the future and how we avoid conflict with nations like Russia, Iran, and Iraq."

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

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

Produced by [the Nautilus Institute for Security and Sustainable Development](#).

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