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# NAPSNet Daily Report 26 March, 1998

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## Recommended Citation

"NAPSNet Daily Report 26 March, 1998", NAPSNet Daily Report, March 26, 1998,  
<https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-26-march-1998/>

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### **I. United States**

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#### **1. Rumors of DPRK Unrest**

Reuters ("HK PAPER SAYS MARTIAL LAW IN N.KOREA; SEOUL DUBIOUS," Hong Kong, 03/25/98) reported that Hong Kong's South China Morning Post on Thursday quoted unnamed diplomatic sources in Beijing as saying that the DPRK has been placed under martial law and could be experiencing a power struggle. The report said that DPRK soldiers had occupied some government buildings and that nationwide military exercises, which started on March 12, were different from usual "war mobilization" exercises. An unnamed western diplomat was quoted as saying, "It is rumored Kim Jong-il has deployed the army to carry out a purge." Another source reportedly added, "There are now people in uniform all over the country." Foreign residents in Pyongyang were reported as "hearing shooting between police and soldiers in an unexplained incident on March 5," which was then "followed by the imposition of a night curfew." The Post reported observers as

saying that they believed Kim had staged a purge because he feared being overthrown by reformers. However, the ROK National Unification Ministry said it had not noticed any unusual activity in the DPRK, stating "We believe the report is false."

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## **2. Effects of DPRK Military Exercises on Food Aid**

Reuters (Paul Eckert, "U.N.: N. KOREA WAR GAMES SLOW FOOD AID," Beijing, 03/26/98) reported that Douglas Coutts, UN World Food Program director for the DPRK, said on Thursday that military drills over the past two weeks have hampered but not halted efforts to deliver food aid to the outlying provinces. He stated, "We are able to leave Pyongyang and our staff are operational in the field -- albeit at a reduced level because of the exercises." Asked about the South China Morning Post's report that martial law had been declared, Coutts said, "I haven't noticed anything different in the past couple of days."

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## **3. ROK-DPRK Red Cross Talks**

Reuters ("KOREA RED CROSS TALKS STUCK ON AID MONITORING," Beijing, 03/26/98), and the AP-Dow Jones News Service ("N. KOREA, S. KOREA CONTINUE FOOD AID TALKS IN BEIJING," Beijing, 03/26/98) reported that Johan Schaar of the International Federation of the Red Cross said that both sides were keen to reach an agreement as ROK-DPRK Red Cross official met for a second day of talks on Thursday. Schaar stated, "There's a positive atmosphere. There are good chances for an agreement." He added that reports that the DPRK was refusing to accept aid monitoring were a "gross simplification of the issue." He said there were "quite good chances" that the full delegations would meet again on Friday. However, an ROK embassy spokesman said earlier, "There was no progress during the working-level meetings yesterday between the two sides." He stated, "The problem was the transparency problem."

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## **4. ROK Intelligence Leaks**

The Associated Press (Pauline Jelinek, "NEWSPAPERS NAME S. KOREA CIA CHIEF," Seoul, 03/26/98) reported that three ROK daily newspapers have identified US Embassy employee Arthur Brown as the CIA chief in the ROK. The disclosure was contained in newspaper reports that Brown told a group of ROK lawmakers at a closed-door breakfast meeting Tuesday of his concern about recent leaks of secret documents from the Agency for National Security Planning. A reporter for Joong Ang Ilbo said a source who attended the meeting told him that Brown brought along US satellite photos of the DPRK and warned that the US could curtail the sharing of such intelligence with the ROK if leaks continue. The US Embassy called the paper to say that Brown had been misquoted, but said nothing about the disclosure of his name. US Embassy spokesman [Patrick Linehan](#) refused to comment on questions regarding Brown. Brown is listed in the ROK government's foreign diplomatic directory as the US Embassy's "counselor for regional affairs."

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## **5. New ROK Army Chief**

The Associated Press ("S. KOREA NAMES ARMY CHIEF OF STAFF," Seoul, 03/26/98) reported that ROK President Kim Dae-jung appointed General Kim Dong-shin as the army chief of staff. General

Kim had been vice commander of the US-ROK Combined Forces. He becomes the first ROK army chief of staff from Cholla Province. Meanwhile, General Kim Jin-ho, commander of the 2nd Army in charge of the ROK's rear area, was named chairman of the joint chiefs of staff.

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## **6. ROK Unemployment Rate Rises**

The AP-Dow Jones News Service (Chang Woo-hyuk, "S. KOREA MIN WARNS JOBLESS RATE TO REMAIN HIGH FOR 3 YRS," Seoul, 03/26/98) reported that ROK Labor Affairs Minister Lee Ki-ho warned Thursday that the country's jobless rate could remain high for three more years as economic difficulties deepen. In a report to President Kim Dae-jung, Lee said the ROK's jobless rate in February rose to 5.9 percent, with 1.24 million people unemployed, up from a January rate of 4.5 percent unemployment, with 934,000 people out of jobs. Lee said the number of jobless is expected to rise to as many as 1.5 million between March and May this year as large companies launch a wider restructuring campaign aimed at reducing their work force. He said that the government will implement various measures designed to help the jobless and to minimize the number of people laid off, including expanding loans to cash-strapped small companies and implementing large-scale government projects.

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## **7. Japanese Purchase of US Planes**

The Associated Press ("FIRST AWACS JETS ARRIVE IN JAPAN," Tokyo, 03/25/98) reported that Major Kyoko Kinugasa of Japan's Air Self-Defense Force said that two US-made 767 airborne warning and control system (AWACS) planes arrived in Japan Wednesday. The two are the first of four AWACS that Japan has ordered from the Boeing Corporation. All four planes, which cost US\$438 million each, will be stationed at the Air Force base in Hamamatsu. Kinugasa said that Japanese Air Force personnel will conduct pre-flight technical testing of the planes for about one year, with actual deployment planned for sometime in the next few years. A Japanese group opposing the deployment of the AWACS held a protest in the streets outside the base on Wednesday. Yoshiyuki Koike, a spokesman for the group, said Japan has no use for the AWACS since its constitution renounces war.

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## **8. US-PRC Arms Control Talks**

The AP-Dow Jones News Service ("CHINA READY TO DISCUSS ARMS CONTROL WITH US - XINHUA," Beijing, 03/26/98) reported that the PRC's Xinhua News Agency said Thursday that PRC Foreign Minister Tang Jiaxuan told acting US Undersecretary of State John Holum that the PRC wanted to work out differences over weapons controls. Tang and Holum held discussions Wednesday on arms control and other issues to prepare for US President Bill Clinton's June visit to Beijing. Tang told Holum that although the PRC and the US have common concerns on weapons proliferation, differences remain, but the PRC is "fully prepared" to discuss the differences. Holum also discussed security and arms control issues Wednesday with Vice Foreign Minister Zhang Deguang and was scheduled to do so again Thursday, as well as to meet Major General Xiong Guangkai, deputy chief of staff of the People's Liberation Army.

## II. Republic of Korea

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### 1. KEDO Burden Sharing

The three nations financing the construction of light-water nuclear reactors in the DPRK could not agree on cost-sharing at last week's meeting and will need to hold further negotiations, an ROK government official said on March 25. Chang Sun-sup, administrator of the Office of Planning for the Light-Water Reactor Project, told reporters that the US and Japan generally understood the ROK's financial problems, although an agreement on burden sharing was not concluded. (Korea Herald, "KEDO PARTNERS FAIL TO AGREE ON COST SHARING FOR NUCLEAR REACTORS," 03/26/98)

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### 2. Asia-Europe Summit Meeting

ROK President Kim Dae-jung will attend the second biennial summit of 25 leaders of Asia and Europe, to be held April 2-4, Chong Wa Dae Spokesman Park Jie-won announced on March 25. President Kim will leave Seoul March 31 and return home April 5. During his stay in London, he will hold separate summit meetings with British Prime Minister Tony Blair, Japanese Prime Minister Ryutaro Hashimoto, and PRC Prime Minister Zhu Rongji. (Korea Times, Lee Chang-sup, "PRESIDENT KIM TO ATTEND ASEM SUMMIT IN LONDON," 03/26/98)

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### 3. ROK Intelligence Leaks

Arthur Brown, head of the US Central Intelligence Agency's unit in Seoul, warned of possible fallout from the current controversy caused by the leak of a confidential document originating from the Agency for National Security Planning (NSP). In a breakfast forum held March 24 with the nation's lawmakers, Brown reportedly said that if classified documents continue to be leaked, the US cannot be expected to continue sharing classified information such as satellite information with Korea. (Korea Herald, "CIA UNHAPPY WITH LEAK OF NSP DOCUMENT," 03/26/98)

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### 4. New ROK Army Chief

General Kim Dong-shin, vice commander-in-chief of the ROK-US Combined Forces Command (CFC), is expected to be named new Army chief of staff, military sources said March 25. General Kim is now the only four-star general from the Honam area (Cholla provinces), the political home of President Kim Dae-jung. General Kim would be the first Army chief of staff ever from that region. (Korea Herald, "GEN. KIM TO BE NAMED ARMY CHIEF OF STAFF; FIRST GENERAL FROM CHOLLA PROVINCE TO HEAD ARMY," 03/26/98)

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

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