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I. United States

1. ROK on DPRK Six-Way Talks

Yonhap ("MONITORING ROK SAYS NO NEED FOR ADVANCE AGREEMENT ON TALKS JOINT STATEMENT," Seoul, 01/27/04) reported that ROK's Foreign Affairs and Trade Minister Ban Ki-moon said Tuesday that advance agreement on a joint statement should not be mandatory for holding another round of six-nation talks on DPRK's nuclear weapons ambitions. Ban, speaking to reporters just before attending a weekly cabinet meeting at Chongwadae (ROK presidential offices), the presidential office, said the government was making efforts in cooperation with the US and other concerned countries to persuade the DPRK to come out for a fresh round of nuclear talks in February. "We should not make the joint statement a prerequisite for the next round of the six-party talks, and we are not working on that, although it may be good for us to have it," Ban said, hinting that the ROK and its allies are having difficulty in negotiations with the DPRK to agree on a statement to be issued during the nuclear talks. Ban said he was not sure if the multinational meeting could actually be held in February, despite Seoul's hope for that. "We've yet to confirm

DPRK's position on that," he said. Ban's remarks come weeks after his predecessor, Yoon Young-kwan, said in late December last year that a new session of nuclear talks could be held without agreement on a joint statement to facilitate it beginning as soon as possible.

Korea Herald ("SEOUL AIMS FOR 6-PARTY TALKS NEXT MONTH," 01/27/04) reported that the ROK presidential office expressed hope yesterday that DPRK would participate in the next round of six-nation talks on the DPRK's suspected nuclear weapons program, which could resume as early as next month. "Chances are high that the second round of six-party talks will be held in February because ROK, the US and Japan are making aggressive efforts for the talks," a presidential official said. The first round of talks ended in August without success. China and Russia are also involved. Tge DORJ recently proposed to freeze all its nuclear activities, the official noted, saying, "The US will have difficulty refusing the DPRK proposal because the freeze should lead to the scrapping of the North's nuclear weapons."

2. Inter-Korean Talks

Yonhap ("MONITORING DPRK EXPECTS PROGRESS AT CABINET-LEVEL INTER-KOREAN TALKS," Seoul, 01/27/04) reported that DPRK officials expressed hope for progress at cabinet-level inter-Korean talks slated for next month here, according to the official paper of a pro-Pyongyang body in Japan on Tuesday. "If delegates from both sides approach the talks from the standpoint of the June 15 Joint Declaration, we can bear good fruit," the Choson Sinbo quoted an unidentified official of the DPRK's National Reconciliation Council as saying. The June 15 declaration issued at the landmark inter-Korean summit in Pyongyang in 2000 calls for inter-Korean reconciliation and cooperation. The discussions, scheduled for February 3-6, are the highest-level channel of dialogue between the divided Koreas and would be the 13th since the summit. Previous rounds of talks on tourism and other economic projects were largely overshadowed by the issue of the DPRK's nuclear arms program, and the ROK and DPRK have failed to make a clear breakthrough in the 15-month nuclear standoff. The paper also said that DPRK officials indicated their intention to further develop inter-Korean exchanges by hailing the aggressive attitude of ROK's civic groups towards cross-border projects. Despite the nuclear tension, both countries have largely kept intact inter-Korean exchanges and cooperation. However, ROK officials have repeatedly warned that current inter-Korean economic cooperation projects could lose momentum if the nuclear dispute isn't resolved promptly through dialogue.

3. DPRK Economic Diplomacy

Korea Times ("PYONGYANG EMBARKS ON ECONOMIC DIPLOMACY," 01/27/04) reported that the DPRK with one of the most isolated economies in the world is now putting more emphasis on trade with capitalist countries. A recent article in the periodical Kyongje Yongu published by the DPRK government called for the need for economic diplomacy by expanding markets abroad. The article is seen connected to the DPRK's recent moves to show off its merchandise in trade fairs by hosting and taking part in various trading fairs to prop up its cash-strapped economy. "We should conduct active economic diplomacy, that is trade, to brazenly penetrate into capitalist countries, it said. The article went on to point out that much effort is required of individuals working in the trade sector. It also called out for the need to conduct scientific analysis on trade and to embrace new technology to churn out products of higher quality. Such practical, no-nonsense attitude is needed for DPRK because many of the socialist economies it used to trade with have collapsed, the article explained. The DPRK conducts trade with some 70 countries, of which the PRC, ROK, Japan are the most significant. Economic experts think a genuine recovery of the DPRK's economy could only take place after the security crisis dissipates and better relations are forged with the US, which since 1950 has

imposed economic sanctions on DPRK.

4. Japan Economic Sanctions Bill

The Associated Press (Audrey McAvoy, "JAPAN LAWMAKERS AGREE ON DPRK BILL," Tokyo, 01/26/04) reported that Japan's ruling coalition and top opposition party agreed Monday on legislation that allows Japan to unilaterally impose economic sanctions. The measure is aimed at pressuring DPRK into resolving a diplomatic standoff over its past abductions of Japanese citizens. The legislation authorizes the government to independently halt remittances, stop trade, and impose other restrictions on the flow of money and goods to and from another country. Japanese law currently only allows such steps if they are made in response to a U.N. resolution or another multinational agreement. The bill - which amends the foreign exchange law - doesn't specifically target DPRK, but was drawn up with the DPRK in mind. "We want to pass the bill promptly," said Jin Murai, a lawmaker from the ruling Liberal Democratic Party after meeting opposition party officials on the amendment. "We need to do so to most powerfully express the will of Japan." The LDP aims to have both chambers of Parliament approve the bill within the next few weeks. Since the bill's backers - the LDP, its coalition partner the New Komeito, and the opposition Democratic Party - together control about 95 percent of the seats in the more powerful lower chamber of Parliament, its passage is virtually assured.

5. ROK Nuclear Submarine Development

Korea Herald (Choe Yong-shik, "SEOUL DENIES PLANS TO BUILD NUCLEAR SUBS," 01/27/04) reported that the Defense Ministry yesterday denied a media report that the government was mulling the deployment in 2012 of several 4,000-ton nuclear-powered submarines. The Chosun Ilbo newspaper reported earlier in the day that ROK had been working on nuclear submarines since May last year as part of efforts to boost its self-defense capabilities against regional security threats such as the PRC and Japan. Won Jang-hwan, the ministry's chief arms procurement officer, said the ministry was studying through 2005 the feasibility of developing 3,500-ton submarines at a cost of 1.7 billion won (\$1.54 million). But he said the submarines' method of power had yet to be decided. Won also said ROK was not expected to develop nuclear-powered submarines independently, as the US has. The ROK cannot develop nuclear submarines without approval from the International Atomic Energy Agency, as this would violate a 1991 inter-Korean pact on the denuclearization of the Korean Peninsula, he said. "Also, there is no need to develop nuclear-powered submarines because electric and diesel engines are sufficient to power 3,500-ton submarines," Won said, discrediting the media report.

6. ROK US Army Yongsan Base Relocation

Chosun Ilbo ("DEFENSE MINISTER SAYS MOU ON YONGSAN SOON TO COME," Shin Jeong-rok, 01/27/04) reported that Defense Minister Cho Young-kil said on Tuesday that Korea and the US have negotiated the costs of relocating the U.S Army's Yongsan base at US\$3 billion to US\$4 billion, and were expected to sign a memorandum of understanding (MOU) during their seventh meeting, in mid-February. Even after signing the MOU, the ROK would try to lower the costs, the minister added. Cho made the remarks to reporters before attending a meeting of security affairs-related ministers, presided over by President Roh Moo-hyun. In regard to a bill to additionally send forces to Iraq, Cho said that the dispatch could not go on as timetabled if the bill would not pass the plenary session of the National Assembly on Feb. 9. The dispatch must be carried out on schedule, because the ROK has promised other countries to do so, the minister said. Cho said that he was optimistic

about the passage, since he has been persuading legislators, but that he could not be certain. The bill currently seems likely to pass the National Assembly's extraordinary session in February, but some lawmakers from the Uri Party have suggested that the bill should be handled in the 17th National Assembly, which is to be determined in the general elections in April.

7. France-PRC Relations

Agence France-Presse ("FRANCE BACKS CHINA AGAINST TAIWAN, URGES RESPECT FOR HUMAN RIGHTS," 01/28/04) reported that French President Jacques Chirac gave his full backing to the PRC against Taiwan by condemning a planned referendum by the island state as "irresponsible" and a threat to Asia, even as he extracted a promise from Beijing to respect human rights. The statements, enshrined in a joint declaration signed by Chirac and visiting PRC President Hu Jintao, came as France sought to boost its trade with the PRC. Chirac, speaking at a media conference with Hu, hailed what he said was a new era in French-PRC relations, and called the declaration, which reinforced a 1997 partnership pact, a "road map" for developing future ties. Other clauses in the declaration paved the way for France to step into the PRC's nuclear energy, transport, science and aeronautic sectors. Chirac added that France was lobbying its EU partners to drop an arms embargo on the PRC after the 1989 Tiananmen Square massacre, saying it "makes no more sense today." France and the PRC also called for UN involvement in Iraq, recalling their joint opposition to the US-led war when the matter went before the UN Security Council last year. Hu thanked France for its stance against Taiwan, and announced that a PRC airline had "very recently" agreed in principle to buy at least 21 Airbus aircraft in a deal worth at least one billion euros (1.3 billion dollars). The PRC president then went on to address the lower chamber of the French parliament -- a privilege accorded to very few foreign leaders. Several French lawmakers boycotted the session in protest at the PRC's record of human rights abuses and instead took part in nearby demonstrations. Hu told the chamber he appreciated France's explicit support and asserted that "the PRC people have seen their civil and political rights protected under the law." He said his government was making "great efforts ... to build a socialist democracy and to ensure the people fully enjoy their rights to elections, decision-making, and administration and democratic supervision."

8. Taiwan "Peace" Referendum

Agence France-Presse ("TAIWAN DEFENDS REFERENDUM PLAN AFTER FRENCH PRESIDENT'S ATTACK," 01/27/04) reported that Taiwan's plan to hold a referendum in March is meant to ward off the PRC's threats, a cabinet spokesman said following criticism of the move by the president of France, who is currently hosting his PRC counterpart Hu Jintao. "French President Jacques Chirac has reservations on our planned referendum, but actually it is China which ruthlessly opposes the vote," spokesman Lin Chia-lung told reporters. He was responding to Chirac's criticism made Monday at a banquet in honor of Hu that the planned referendum on the Taiwan's ties with the PRC was "a grave mistake." Referring to the March 20 vote called to coincide with presidential elections in Taiwan, Chirac said, "to break the status-quo by a unilateral, destabilising initiative, whatever it is, including by a referendum, would lead to divisions in the union. "It would be a grave mistake. It would be taking a heavy responsibility for stability in the region," Chirac said, adding that France was attached to the idea "of just one China." Lin chose to focus his attack on the PRC, accusing it of seeking to swallow Taiwan. "China has spared no efforts sabotaging us. It proves the urgency and necessity of holding such referendum. China is afraid it won't be able to swallow Taiwan under protection of the referendum system," he said. "The referendum system offers us protection. It is the most effective weapon to safeguard the island's sovereignty and security," he said.

9. PRC Nuclear Non-Proliferation

Xinhua News Agency ("CHINA APPLIES TO JOIN NUCLEAR SUPPLIERS GROUP," Vienna, 01/27/04) reported that the PRC filed a formal application here Monday to join the Nuclear Suppliers Group (NSG). The PRC's permanent representative to the United Nations and other international organizations in Vienna, Zhang Yan, submitted the application to NSG rotating president Cho Chang-beom. Zhang also delivered a note to Director-General of International Atomic Energy Agency (IAEA) Mohamed M. ElBaradei, informing him of the PRC's intention for NSG membership. In an interview with Xinhua, Zhang said the PRC firmly opposes the proliferation of weapons of mass destruction and their carriers. In recent years, Zhang said, the PRC has promulgated and implemented a series of laws and regulations concerning the control of nuclear materials and instituted strict administration and control of nuclear exports. He said the PRC has held talks and consultations with the NSG in recent years and adopted policies and mechanisms in nuclear export control similar to those of the group. Joining the NSG is a key step for the PRC to play a more active role in nuclear non-proliferation, a step conducive to its efforts in seeking closer international cooperation in this regard, Zhang added. Established in 1975, the NSG is an unofficial organization of nuclear capable countries exercising control on nuclear exports. It has played an important role in nuclear non-proliferation and nuclear export control.

10. ROK Domestic Political Corruption

Los Angeles Times (Barbara Demick, "SOUTH KOREANS PONDER JUST HOW FAR CORRUPTION REACHES," Seoul, 01/27/04) reported that a widening bribery scandal prompts examination of a give-and-take culture. As prosecutors dig into the financing of the last presidential election, they're unearthing some unseemly secrets. In the months before the December 2002 contest won by Roh Moo Hyun, about \$50 million in illegal contributions changed hands as ROK's largest corporations tried to curry favor with the political parties. More than a dozen people - assemblymen, party hacks and moguls - have been arrested so far. Because ROK currency comes in such small denominations that it is a logistical feat to make a payoff of any consequence, the scandals have taken on a quality of high farce. When LG Corp., one of the country's largest conglomerates, allegedly gave \$12 million to conservative opposition candidate Lee Hoi Chang, a truck stuffed with cash was reportedly left at a highway rest stop and the keys given to one of the politician's aides. Hyundai Group allegedly delivered its money using a sedan packed so tightly with cash it could barely be driven. The spectacle has left voters clucking their tongues in indignation. But it also has prompted some serious soul-searching among the ROK public about the role that under-the-table payments play in almost every aspect of life, be it academia or health care. "There has always been a lot of cash-giving and gift-giving in this society," said Michael Breen, author of the book "The Koreans." "People always seem to need staggeringly large sums of money to get things done. Everybody gets caught up in it." The corruption scandals swirling around Roh and his aides are souring voters who remember how his campaign distributed colorful plastic piggy banks for donations in order to show its disdain for big business. In a burst of bravado, Roh declared that he would resign as president if the prosecutors found that his camp took more than one-tenth as many illegal contributions as the opposition. Roh's allies now say he was speaking rhetorically. "Roh is being hoisted on his own petard because he projected an ideal that he cannot live up to," said Scott Snyder, Seoul representative for the nonprofit Asia Foundation.

11. PRC Bird Flu Crisis

Agence France-Presse ("BIRD FLU CRISIS HITS CHINA, UN CALLS FOR INTERNATIONAL HELP," 01/28/04) reported that United Nations agencies Tuesday called for an all-out global effort to combat

bird flu and warned the virus could kill millions if it mutates, as the PRC became the 10th Asian country to be hit. The World Health Organization (WHO) warned millions of people could die if the deadly H5N1 strain of bird flu racing through Asia combined with another human influenza virus that is moving towards the region. "In my judgment it is possible and so that's why we have to work very hard today, not tomorrow, to contain this, to prevent that mutation," said Shigeru Omi, director of the UN health agency's Western Pacific office. The WHO has said that while humans have so far only caught bird flu from infected poultry -- usually through contact with animal feces -- the virus could mutate into a form that can be transmitted between humans. As the crisis deepened, Thailand prepared to hold international talks aimed at establishing a united front against the disease, the same approach used to fight last year's SARS epidemic which claimed nearly 800 lives. A six-year-old boy on Tuesday became Thailand's second confirmed victim of the disease which has killed six people in Vietnam and led to the slaughter or death of up to 20 million chickens across the region. Outbreaks of H5N1 have also been confirmed in Cambodia, Indonesia, Japan and ROK, with weaker strains detected in Pakistan, Taiwan and Laos. The United Nations' WHO and Food and Agriculture Organisation (FAO), and the Paris-based World Organisation for Animal Health, said the spread of the highly pathogenic virus was a "significant control challenge." "We have a brief window of opportunity before us to eliminate that threat," FAO chief Jacques Diouf said in a joint statement.

12. ROK "Mad Cow" Beef Ban

Agence France-Presse ("ROK TO MAINTAIN BAN ON US BEEF," 01/27/04) reported that the ROK has refused to ease a ban on US beef imports, citing widespread concerns here about mad cow disease, officials said. The rejection came at talks between ROK Agriculture Minister Huh Sang-Man and a US delegation led by Undersecretary for Farm and Foreign Agricultural Services J.B. Penn, Huh's office said. Penn briefed Huh on safety measures taken in the US since a US cow tested positive last month for bovine spongiform encephalopathy (BSE), or mad cow disease, the agriculture ministry said. "The US side said Washington has fully strengthened quarantine measures against the disease while we called for thorough and scientific safety measures," a ministry official told AFP. "The US delegation made no direct demand that ROK lift the ban. But we think that is what they wanted," he added. "There was no change in our position to keep the ban." It was the second beef talks between the two countries since ROK suspended US beef imports in late December.

II. CanKor E-Clipping Service

1. Issue 150

This is CanKor's 150th weekly edition! Operating since July 2000, the Canadian information service on the DPRK has seen its discriminating readership grow far beyond Canada's borders. We acknowledge with gratitude the continued confidence shown by the Canadian International Development Agency (CIDA) in renewing CanKor's financial support for an additional two years. Thanks to the dedicated competence of our volunteers, the CanKor newsletter and website (www.CanKor.ca) have become trusted sources of information for those with both professional and personal interest in the unfolding of Korea's contemporary history. We thank our readers for becoming part of that history. Amnesty International has published a report on the DPRK alleging that the actions of the North Korean government have exacerbated the effects of the famine and are preventing the population from access to food assistance. In an article first published in the Washington Post, UN Humanitarian Coordinator in North Korea, Masood Hyder says that now is not the moment for the international community to give up on aid to the DPRK, just when cautious changes are gradually emerging. This week's FOCUS section summarizes in bimonthly segments

events related to the DPRK in the second half of 2003. The first half of the year appeared in CanKor # 132, and can be found in the website archives. The summaries are written for CIDA by CanKor Editor Erich Weingartner.

For more info: <http://www.cankor.ca>

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.

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