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## I. United States

#### 1. ROK on DPRK Nuclear Talks in December

The Associated Press (Christopher Torchia, "S. KOREA WANTS NUCLEAR TALKS IN DECEMBER," Seoul, 10/28/03) reported that the DPRK is softening its stand on the dispute over its nuclear weapons development and there are hopes that another round of crisis talks will be held in December, top officials in the ROK stated. "I think North Korea is revising its position," ROK Unification Minister Jeong Se-hyun said. "North Korea has shown some positive steps forward." Jeong cited North Korea's new willingness to consider President Bush's offer of multilateral security assurances in return for dropping its nuclear programs. Previously, the DPRK had demanded a nonaggression treaty with the US, a demand that Washington has ruled out. Separately, ROK Foreign Minister Yoon Young-kwan said he hoped another round of talks on the nuclear crisis will be held in December. "The date for the second round of six-nation talks has not been set yet. But our government hopes it will happen in the beginning or middle of December," Yoon said in a briefing. "Since all the related countries have not started discussing the date, it's still too early to say when," Yoon said.

#### 2. ROK DPRK Condolences for Kim Yong-sun

Korea Times ("SEOUL MAY SEND CONDOLENCES ON KIM'S DEATH," 10/28/03) reported that the ROK government is considering expressing condolences to Pyongyang after the death of Kim Yongsun, the DPRK's point man for inter-Korean affairs, who reportedly died on Sunday of injuries from a traffic accident in June. "I think we should express our condolences considering Kim's role in inter-Korean relations," presidential National Security Adviser Ra Jong-yil said on Monday in a meeting with reporters. Ra said that the condolences could be offered through a working-level channel when a funeral is held in the DPRK. "It is natural to convey such a message if one of our neighbors dies," he said. The expression of sympathy would be the first of its kind offered from the ROK for any DPRK figure.

#### 3. ROK-DPRK Private Investment

Yonhap News Agency "SOUTH KOREAN PRIVATE INVESTMENT IN NORTH AMOUNTS TO 1.15 BILLION DOLLARS," Seoul, 10/28/03) reported that the ROK's cumulative private-sector investments in North Korea amounted to 1.15bn US dollars as of August, a government document showed Tuesday. According to data released by the Ministry of Unification, a total of 25 local companies have invested 1.15bn dollars in the North since 1996, when the now-defunct Daewoo Corp. set up a 5.12m-dollar textile plant near Pyongyang. Among the investments, a Korea Electric Power Corp.-led project to build two light-water nuclear reactors in the DPRK accounted for 83 per cent, or 954.6m dollars, the data found. The Hyundai Group was the second-biggest investor in the DPRK, with Hyundai Merchant Marine, Hyundai Engineering and Construction and Hyundai Asan spending 144.8m dollars on the Mt Kumgang tourism program and relevant development projects over the past five years. Pyeonghwa (Peace) Motors Corp., an inter-Korean joint venture which produces the 1.6-litre Hwiparam sedan, has received a cumulative investment of 25.1m dollars from the ROK over the past six years. Taechang Co., a leading apparel maker, has invested 5.5m dollars to produce bottled water from a plant near Mt Kumgang, while the ROK-based International Corn Foundation has delivered 5.46m dollars to the DPRK for various R and D (research and development) projects. Other major investment projects included 2.48m dollars by Kukyang Shipping, 1.97m dollars by Green Cross Co. and 1.75m dollars by Samsung Electronics. The ROK's private sector has donated a total of 242.3m dollars in aid to the DPRK since September 1995, according to the government figures.

#### 4. Inter-Korean Economic Talks

Yonhap News ("SOUTH KOREAN MINISTRY OFFERS DETAILS ABOUT INTER-KOREAN ECONOMIC TALKS' AGENDA," Seoul, 10/28/03) reported that the ROK and DPRK will hold a new round of economic talks 5-8 November in Pyongyang, the Ministry of Unification said Tuesday (28 October). The talks, the seventh of its kind, will check progress on three major inter-Korean economic projects, including the cross-border railway reconnection, said ministry officials. Negotiators are also expected to discuss ways of expanding direct trade and realizing exchange visits of economic delegations, plans agreed on during the latest round of talks in August, they said. Kim Gwang-lim, vice minister for finance and economy, will lead the ROK delegation, while the DPRK will be represented by Choe Yong-gon, vice minister of construction and building-materials industries. The five-member ROK delegation, along with five other government officials, will also monitor distribution of South Korean food aid in areas near Pyongyang, officials said.

#### **5. PRC-US Market Dispute**

The Associated Press (Joe McDonald, "US WARNS CHINA TO OPEN MARKETS FASTER," Beijing, 10/28/03) reported that US Commerce Secretary Don Evans said he warned the PRC premier Tuesday that Washington will "vigorously enforce" its trade laws if Beijing fails to move faster on meeting commitments to open its markets. Evans said he also pressed Premier Wen Jiabao to strengthen efforts to protect movies and other intellectual property, saying Washington is frustrated at the PRC's failure to stop rampant piracy. "We put a white-hot light on it and said, this is something we're going to watch very closely," Evans told reporters. Evans' warning came amid mounting US pressure for the PRC to meet commitments made when it joined the World Trade Organization in 2001 to open markets to foreign competitors. The US trade deficit with the PRC hit \$103 billion last year and could top \$130 billion this year. American manufacturers complain they have lost 2.7 million jobs over the past three years, due largely to PRC competition. "We told them that we are going to vigorously enforce our trade laws," Evans said. He said he didn't discuss details of possible consequences if the PRC failed to produce results, saying, "I don't think it's useful to do that."

#### 6. Japan General Election

Agence France-Presse ("OFFICIAL CAMPAIGNING STARTS FOR JAPAN'S NOVEMBER 9 ELECTION," 10/28/03) reported that official campaigning started for Japan's November 9 general election, the first chance for voters to pass judgment directly on Prime Minister Junichiro Koizumi since he took office in 2001. The prime minister was the first to hit the campaign trail, speaking at a Tokyo train station, to push for his reform agenda and highlighting early indications that the economy is on the up-swing. Koizumi argued that his reform initiatives should be implemented under a stable government led by his Liberal Democratic Party (LDP). "The economy is starting to show slight, yet, bright signs of recovery," said Koizumi, who is also the LDP president. "We must make this a true recovery. The choice is whether we continue to reform under the stable forces with the LDP in the middle or whether the Koizumi administration should retire. "What we need to do is to reform the bureaucracy, the public sector. Please allow us...to continue to push our reform agenda forward," he said. The head of the largest opposition group the Democratic Party of Japan (DPJ) promised his party would establish a less bureaucratic and cleaner government than Koizumi's LDPled coalition and usher in a genuine two-party system. "This election is about whether we can start a new political system under two major parties," that can serve as political alternatives to each other, said Naoto Kan in a speech in Fukuoka, southwestern Japan. "Please give the DPJ a chance. Please allow Naoto Kan an opportunity to take over the administration," he said. By early afternoon, 1,156 candidates had registered with the central and local election commissions to contest the 480 seats in the lower house of the Japanese parliament.

#### 7. DPRK on Inter-Korean Railroad Meeting

KCNA ("NORTH KOREA REPORTS ON SEVENTH INTER-KOREAN MEETING ON RAILROAD RECONNECTION,") Pyongyang, 10/28/03) reported that the 7th working contacts for reconnecting rail and road links between the DPRK and the ROK were held in Kaesong on 27 and 28 October. At the contacts both sides adopted an agreement after having an exhaustive discussion on practical issues including the timetable for the provision of equipment and materials needed for the project of reconnecting inter-Korean rail and road links, the supply of equipment for removing bedrock, technical service for repairing and maintaining the already provided equipment and vehicles, the designing of railway signals, telecommunications and power system and the supply of necessary equipment and materials and technical service for them. Both sides decided to make mutual visits to the places of the two sides where projects of reconnecting rail and road links are expected to take place with a view to ensuring more smooth progress of them and hold the eighth working contact in the near future. It was agreed to decide on the date, venue and method depending on the agreement to be reached at the seventh meeting of the North-South Committee for the Promotion of Economic Cooperation.

#### 8. Japanese Woman Seeking Asylum in DPRK

Kyodo ("JAPAN CONFIRMS NORTH KOREAN REPORT ON WOMAN SEEKING ASYLUM," Tokyo, 10/28/03) reported that a Japanese woman in her 20s is seeking asylum in the DPRK after swimming across a river from the PRC, government sources said Tuesday. The DPRK has told Japan that a Japanese woman had entered the DPRK seeking "asylum," the Japanese Foreign Ministry said Tuesday 28 October, confirming a report by the (Korean Central News Agency (KCNA). Ministry officials said the DPRK notified Japan of the situation Monday through diplomatic channels in Beijing.

#### 9. PRC Space Program

Agence France-Presse ("CHINA TO SEND THREE MEN INTO SPACE FOR SEVEN DAYS NEXT TIME," 10/28/03) reported that the next time the PRC launches a manned space craft it will carry three astronauts on a seven-day mission in orbit, state media said Tuesday, citing a leading space engineer. The PRC's second manned space flight will take place within two years, but the launch could be moved up, the Chengdu Evening News cited Xu Dazhe, vice general manager of China Aerospace Science and Technology Corporation, as saying. Compared with Shenzhou V, which lifted China's first man into orbit earlier this month, Shenzhou VI will have more interior space to accommodate three astronauts rather than one, Xu said. After having accomplished a manned space flight, the next priority for the PRC will be to try a space walk and eventually set up its own station, Xu was quoted as saying. His remarks seemed to contradict statements by the chief engineer of the Shenzhou V rocket, who said the PRC would launch two astronauts into orbit next time.

## **II. CanKor E-Clipping Service**

#### 1. Issue #139

At a public forum in Toronto on 20 October 2003, Canadian academic Charles Burton, Associate Professor at Brock University, presented a keynote address entitled "Solving the DPRK Conundrum". Specializing in comparative politics, Dr. Burton has considerable experience in China. In addition to being a student in Shanghai in the 1970s, he served twice at the Canadian Embassy in Beijing, his latest posting as Counsellor in Political and Economic Affairs until the summer of 2000. The forum was the latest of what has become an annual consultation on North Korea. The meeting was sponsored by the Canadian Foodgrains Bank, a coalition of faith-based humanitarian agencies that contribute much of Canada's food assistance to the DPRK. The event was held at the Presbyterian Church in Canada headquarters in Toronto. The conference, whose theme was "DPRK: Axis of Evil or Nexus of Need," will be reported in more detail in the next issue of CanKor. The Globe and Mail article by Canadian correspondent Geoffrey York mentioned in Dr. Burton's address is also included in this week's issue. York describes eight days in the DPRK spent as a member of a Chinese tour group.

For more information: 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 <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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