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1. US - DPRK Relations

Agence France-Presse ("NORTH KOREA'S INSULTS AT BUSH SEEN UNDERSCORING FLAWED US PROPOSAL", 2004-08-25) reported that nuclear-armed the DPRK has launched a tirade of personal attacks on President George W. Bush, possibly to emphasize its rejection of a US aid-for-disarmament plan, gain more concessions and buy time ahead of US presidential polls in November, analysts say. "One way to understand this is that it is an attempt on North Korea's part to clearly communicate their negative response to the US proposal, which they feel has not been properly registered by the United States," said Fred Carriere, the executive director of The Korea Society, based in New York. "The North Koreans repeatedly said in our discussions that they had already given their official response, which is that the US proposal does not meet their essential requirement of matching words for actions," Carriere said.

Washington Post ("N. KOREA CONTINUES CRITICISM OF BUSH COMMENTS SEEN IN U.S. AS EFFORT TO DISRUPT TALKS ON PYONGYANG'S NUCLEAR PROGRAM", 2004-08-25) reported that for the second straight day, the DPRK yesterday hurled unusually personal criticism at President Bush, calling him a "fascist tyrant" and "human trash." The official statements strongly suggested the DPRK is seeking to disrupt further talks on its nuclear programs before the US presidential election, some US officials said. Senior-level talks are planned for next month, but the DPRK has balked at holding working-level talks this month that would pave the way for another six-nation negotiating round. It told the PRC it has substantive problems with holding such talks now. The DPRK "can no longer pin any hope on the six-party talks, and there is a question as to whether there is any need for it to negotiate with the US anymore," the DPRK's official KCNA news agency said.

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2. DPRK on US - DPRK Relations

Yonhap ("DPRK DELEGATE: IMPLEMENT "REWARD FOR FREEZE" ", 2004-08-25) reported that the DPRK government will fulfill its responsibility and mission for global independence and the strengthening and development of the Non-Aligned Movement (NAM), said the head of the DPRK delegation in his speech at the 14th Non-Aligned Foreign Ministers' Conference in Durban, South Africa, on August 19. He said: The DPRK government considers it an avowed principle of its foreign policy to consistently maintain the fundamental principle and idea of the NAM. The DPRK's proposal for "reward for freeze", the first-phase action for a package solution on the principle of simultaneous actions, is the only way of settling the nuclear issue stage by stage as it took into consideration the actual situation where there is no confidence between the DPRK and the US.

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3. US Elections and the DPRK Nuclear Issue

Korea Times ("NUCLEAR STANDOFF HANGS ON US POLL", 2004-08-25) reported that the DPRK

nuclear standoff appears increasingly to hinge on the outcome of the US presidential election as Pyongyang continues to blast President George W. Bush and insist there is no point in discussing the issue with his administration. US. nonproliferation expert Daniel Pinkston, who is currently visiting professor at Korea University, Wednesday said the protracted crisis could head in a number of directions depending on the outcome of the November polls. The DPRK tends to view Democratic candidate John Kerry as an easier person to deal with over the nuclear dismantlement issue but Bush might also soften his line if he won a second term, said Pinkston, a senior research associate at the Monterey Institute of International Studies. However, the worst-case scenario, Pinkston said, is that a victorious Bush will toughen his approach further and the DPRK will respond by pulling out of negotiations entirely. "It could be that if Bush is reelected then this problem could become impossible to solve," he said.

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4. Russia on DPRK Nuclear Issue

ITAR-TASS ("RUSSIA STAYS COMMITTED TO SIX-PARTY TALKS DESPITE

5. DPRK Leadership

Kyodo ("NORTH KOREAN LEADER'S WIFE RUMOURED DEAD - SOUTH KOREAN WEB SITE", 2004-08-25) reported that a ROK journalist has said that ROK, US and Japanese intelligence agencies believe that the wife of DPRK leader Kim Jong-il has died of illness, according to a message posted on the journalist's web site. "The intelligence sectors on North Korea in South Korea, the United States and Japan have shared a common assessment that North Korean dictator Kim Jong-il's wife, Koh Young-hee (Ko Yong-hui), has died of illness," Cho Gab Je said on his web site Tuesday (24 August). A source in Seoul, familiar with DPRK affairs, also said intelligence authorities are trying to confirm rumours of Koh's death. The DPRK is believed to have launched a campaign to idolize Koh as "respectable mother" in the military sector in the summer of 2002, prompting speculation that one of two of her sons, Kim Jong-chul (Kim Jong-chol) or Kim Jong-woon, was being groomed as DPRK leader's heir-apparent.

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6. KEDO Project

Yonhap ("NUCLEAR REACTOR PROJECT IN N. KOREA LIKELY TO BE SUSPENDED FOR ONE MORE YEAR ", 2004-08-25) reported that a US-led international consortium is seeking to suspend for one more year the construction of a multi-billion dollar nuclear reactor project in the DPRK, an ROK official said Wednesday. The Korean Peninsula Energy Development Organization announced in December a one-year suspension of two power-generating nuclear reactors under construction in the DPRK under a 1994 deal. "The project is linked with North Korea's nuclear issue," said ROK Unification Minister Chung Dong-young in testimony to the National Assembly's committee handling unification, diplomacy and trade. Chung said ROK and other KEDO executive board member countries are discussing whether to extend the one-year suspension.

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7. US - DPRK Export Controls

Yonhap ("N.K. CHURNS OUT COMPUTERS WITH PENTIUM IV CHIPS: JOURNALIST ", 2004-08-25) reported that the DPRK has mass-produced computers with Pentium IV processors since 2002, a Russian journalist confirmed in her new book. The confirmation came at a time when the US and DPRK are in a war of nerves over US and international export control regulations that would ban 15 ROK firms selected to operate in an industrial complex in the DPRK's city of Kaesong from bringing in "strategic materials," including computers.

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8. Inter - Korean Industrial Project

Yonhap ("SEOUL WELCOMES PYONGYANG'S REAL ESTATE RULES FOR JOINT PROJECT ", 2004-08-25) reported that the ROK welcomed the DPRK's announcement Wednesday of new real estate regulations for an inter-Korean industrial project, saying the move will further boost cross-border cooperation. "These regulations help relieve our companies' anxiety, because they are soon to start operation at a pilot section of the industrial park," a government official said.

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9. Inter - Korean Relations

Yonhap ("S. KOREAN ARMISTICE PANEL MEMBER QUILTS AFTER 15 YEARS OF SERVICE ", 2004-08-25) reported that in the opinion of Col. Chung Young-do, who quit this week after 15 years of service as a member of the UN delegation to the Korean War armistice commission, the DPRK has not changed a bit despite flourishing government-level exchanges between the two Koreas in recent years. "North Korean delegates have all been the same. They still act like robots and speak like recorders under the command of their higher-ups," Chung said in a telephone interview with the Yonhap News Agency.

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10. Inter - Korean Economic Cooperation

Donga Ilbo ("WILL SHA RI XIANG BE THE NEXT SINUIJU SPECIAL ADMINISTRATIVE REGION MINISTER? ", 2004-08-25) reported that the DPRK has restarted plans to promote Sinuiju as a special economic zone. However, Yang Bin, appointed as the first Special Administrative Region (SAR) minister before and chairman of the Euro-Asia group, has been excluded from the project. The PRC's diplomatic informants stated on August 24 that, "Yang Bin's name was excluded from the list of candidates for the next DPRK Sinuiju Special Economic Zone minister position." Chairman Yang had been imprisoned for tax evasion just 10 days after he was appointed as the SAR minister in September of 2002. Sha Ri Xiang, a Korean-born PRC emigrant and ex-mayor of Fullerton, California, is one of the most likely candidates to succeed Chairman Yang as the new SAR minister. Experts analyze that the recent DPRK move to expand the role of National Economic Cooperation Union which takes in charge of the ROK and the DPRK relations is targeting ROK capital and corporate investments.

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11. ROK on DPRK Infrastructure

Joongang Ilbo ("SOUTH WILL PAY TO BUILD ROADS AT GEUMGANG ", 2004-08-25) reported that with inter-Korean relations in a chill, the ROK government said yesterday it would spend 3.1 billion won (\$2.6 million) to build and repair roads in the DPRK. Chung Dong-young, the unification minister, briefed lawmakers about Seoul's first investment in infrastructure in the DPRK. The government, Mr. Chung said, would spend 2.7 billion won to pave a 13.4-kilometer dirt road to Mount Geumgang resort, located on the eastern coastline of the peninsula close to the border. Another 400 million won will go to repair existing roads, the minister told the National Assembly's unification and foreign affairs committee. The Unification Ministry plans to use 27.3 billion won from inter-Korean cooperation funds, which includes a 24 billion won loan to the DPRK management of Gaeseong industrial complex, a report to legislators showed.

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12. Sino - ROK Relations

Korea Times ("CHINA'S NO. 4 MAN TO VISIT SEOUL THURSDAY", 2004-08-25) reported that a top PRC official will arrive here today for a five-day visit to discuss the DPRK's nuclear weapons program and the lingering dispute over the PRC's distortion of the history ancient Korean kingdom of Koguryo, sources said Wednesday. Jia Qinglin, chairman of the People's Political Consultative Conference, will fly to Seoul aboard a private jet at the invitation of National Assembly Speaker Kim One-ki, a legislative staff said asking not to be named. Jia, who is ranked fourth in the hierarchy of the Communist Party of the PRC, will meet President Roh Moo-hyun and Prime Minister Lee Hai-chan as well as Speaker Kim and some ROK Assemblymen. A former Beijing mayor, Jia is known as one of the closest confidants to former PRC president Jiang Zemin who still exerts significant influence in the PRC as chairman of the Communist Party commission controlling the country's military.

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13. ROK - Australian Relations

Agence France Presse ("SOUTH KOREAN FM TO VISIT AUSTRALIA FOR TALKS ON NORTH KOREA, ENERGY", 2004-08-25) reported that ROK Foreign Minister Ban Ki-Moon will visit Australia this week to discuss the DPRK nuclear crisis and his country's energy needs, the foreign ministry said Wednesday. A spokeswoman said Ban would arrive on Saturday for a four-day trip. He will discuss his Australian counterpart Alexander Downer's trip to Pyongyang last week, during which Downer sought assurances that the DPRK will give up its nuclear weapons programs. The ROK's energy needs will also be on the agenda. Australia's Woodside last year signed a seven-year deal to supply Korea Gas Corp (Kogas) with 500,000 tons of liquefied natural gas (LNG) a year from Australia's North West Shelf project.

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14. ROK- Japanese Relations

Yonhap ("ROH PLEDGES TO CLARIFY HISTORY OF KOREA'S LEFTIST FREEDOM FIGHTERS ", 2004-08-25) reported that President Roh Moo-hyun said Wednesday that the government will try to address the history of leftist freedom fighters whose activities against Japanese colonialists were

obscured in the tense rivalry with the DPRK over the past decades. "We tended to have buried one side of the history of freedom fighters under Japanese colonial rule because of the tragic history of a showdown between the rightists and leftists," Roh was quoted by his spokesman Kim Jong-min as saying. The president spoke at a luncheon meeting with a group of people who fought against Japanese rule of the Korean Peninsula. The colonial period was from 1910 to 1945.

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15. US Troop Realignment

Chosun Ilbo ("KOREA GOV'T TO PURCHASE LAND FOR U.S. MILITARY BASES", 2004-08-25) reported that in connection with the relocations of the Yongsan Base and the US 2nd Division, the Ministry of Defense said Tuesday that Korea and the US had agreed that Korea would purchase 3.49 million pyong of land in Osan and Pyongtaek in Gyeonggi Province and provide it to the US for military bases by next year. The government will purchase 640,000 pyong near Osan Air Base and 2.58 million pyong near Camp Humphrey. According to materials for a public hearing given to residents of Seotan-myeon, Pyongtaek City, by the government, the land is located on both sides of the airstrip of Osan Air Base, where noise pollution has been serious due to planes. If the purchase is completed, the size of Osan Air base will be increased to 2.82 million pyong from its current 2.18 million pyong and the base will serve as a nucleus of the Korean and US air forces.

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16. ROK on US Troop Realignment

Yonhap ("S. KOREAN FOREIGN MINISTER SAYS US TROOP CUT TIMETABLE FLEXIBLE", 2004-08-25) reported that the ROK's foreign minister said on Wednesday that the government has agreed with the US to remain flexible on a timetable for the planned US troop cuts in his country. Foreign Minister Ban Ki-moon told ROK correspondents here that both sides shared the opinion in their first round of meetings, which ended Aug. 20, that they should continue talks and be flexible. Ban said his government asked the US to reduce its military force, depending on the ROK's capabilities to prepare itself to cover for the reduction. The US responded that this is an understandable request, he added. The minister said he is optimistic about the outcome of talks with the US, saying he expected the result to be satisfactory to both sides.

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17. Koguryo Historical Revisionism

The New York Times ("CHINA FEARS ONCE AND FUTURE KINGDOM", 2004-08-25) reported that highlighting history's weight in modern Asia, the PRC and ROK, two of the region's closest economic partners, tried to patch over the sharpest crisis in 12 years of diplomatic relations by agreeing Tuesday to discuss calmly the boundaries of a kingdom that disappeared from maps 1,300 years ago. The PRC may be the ROK's largest trading partner and the ROK may be the PRC's largest source of new foreign investment, but that did not prevent the ROK from taking on their huge neighbor this summer over the boundaries of Koguryo, a kingdom of hunting tribes that ruled much of modern-day DPRK and northeastern PRC from 37 B.C. to A.D. 668, when it was conquered by the PRC's Tang dynasty. For two years, a PRC government study group, the Northeast Project, has been issuing academic papers bolstering the position that the ancient kingdom was merely a PRC vassal state. Behind the campaign, the PRC fears that one day the two million ethnic Koreans in northeastern PRC will support a "greater Korea" that will spill over modern borders.

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18. Japanese Spy Satellites

The Associated Press ("JAPAN PLANS TO LAUNCH SPY SATELLITES", 2004-08-25) reported that a Japanese government panel has approved plans to send two spy satellites into Earth's orbit beginning next year, a media report said Wednesday. If confirmed, the missions would be the first since late 2003 for Japan's ailing space program, which has suffered a slew of launch and mission failures. The government has earmarked 69.9 billion yen (US\$635 million) for the project in 2005, when Japan's space agency would send the first probe, designed to snap high-resolution pictures of objects on the ground such as buildings, public broadcaster NHK TV said. The second probe, which would use radar to analyze topography, would go up in 2006, NHK said, citing a Cabinet Office official.

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19. Japan UNSC Seat

Financial Times ("KOIZUMI TO STEP UP CAMPAIGN FOR PERMANENT SECURITY COUNCIL SEAT", 2004-08-25) reported that Junichiro Koizumi, Japan's prime minister, plans to use a speech at the United Nations next month to intensify his country's campaign for a permanent seat on the UN Security Council. Mr Koizumi said yesterday: "I would like to mention the Japanese idea that there could be permanent (Security Council) members other than the current five, and that Japan could be one of them." Under Mr Koizumi, a conviction that Japan must rejoin the world as a "grown-up" country has gained support. Still, Japanese diplomats say the country may have the best opportunity for a long time of gaining a permanent seat, as the Security Council's composition - five permanent members and 10 "revolving" seats - is under review as part of a broader examination of UN structures. "The chances are there, but it is a difficult issue," Mr Koizumi said.

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20. Japan Nuclear Accident

The Associated Press ("5TH WORKER DIES FROM JAPAN NUKE ACCIDENT", 2004-08-25) reported that a worker injured in Japan's deadliest nuclear-plant accident earlier this month has died, raising the death toll to five, an official said Wednesday. Masaru Kameiwa, 30, had been severely burned in the Aug. 9 accident, which occurred when a corroded cooling pipe - carrying boiling water and superheated steam - burst at a plant in Mihama, about 200 miles west of Tokyo. Kameiwa died on Wednesday at a hospital in Fukui, northern Japan, said Fukui prefectural government spokesman Katsunori Kondo. Kondo said one of the injured workers had been released from the hospital after recovering, but five others, including three with serious injuries, were still receiving treatment.

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21. Fischer Case

New York Times ("FISCHER LOSES LATEST APPEAL ON DEPORTATION FROM JAPAN", 2004-0-25) reported that Japan ordered Tuesday that Bobby Fischer, the American chess master wanted in the US for violating a trade embargo, be deported after rejecting his request for protection as a political refugee, his supporters said. Mr. Fischer's lawyers immediately filed an appeal with the Justice Ministry, and it was not expected that a final move to deport him would be made soon. The

ministry explained its decision to reject Mr. Fischer's bid for political asylum, saying the charges against him in the US were "not political in nature," according to a statement released by the chess player's supporters, the Committee to Free Bobby Fischer. Last Friday, the Tokyo District Court rejected another attempt to halt the deportation proceedings against Mr. Fischer, who filed an appeal immediately.

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22. PRC Corruption Fight

The Associated Press ("VIOLENCE ERUPTS IN CHINA CORRUPTION FIGHT", 2004-08-25) reported that Liu Haiyun was about to step outside her family's apartment in northern PRC to pick up breakfast when the risks of her husband's job as an anti-corruption investigator literally blew up in her face. A bomb attached to the front door of the fifth-floor apartment in the city of Xingtai exploded, leaving Liu's legs, hands and face severely wounded, state media and officials said Wednesday. The attack Aug. 19 on the home of Li Haisheng, head of the city's anti-corruption bureau, highlights the perils faced by officials and ordinary Chinese who try to fight the rampant corruption that taints almost every aspect of public life in the PRC. Attackers range from gangland figures to corrupt officials trying to defend their privileges. Reports of attacks by officials on farmers trying to expose abuses are common.

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23. PRC Energy

BBC News ("CHINA RAISES DOMESTIC FUEL PRICES", 2004-08-25) reported that the PRC will raise domestic petrol and diesel retail prices by 6% as crude oil prices stay near record highs. Gasoline prices are expected to rise by 240 yuan (\$29; £16) a tonne on Wednesday while diesel will rise by 220 yuan per tonne, industry sources say. The cost of crude oil has climbed by almost 50% this year, pushing prices close to the \$50-a-barrel mark. The PRC's demand for oil has risen as its economy has grown. Soaring energy demands have led to blackouts and some firms have been forced to put staff on holiday to keep demand under control.

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24. PRC Energy Imports

Interfax ("RAILWAY OIL SHIPMENTS TO CHINA TO GROW -

25. Sino - Kazak Gas Pipeline

Agence France-Presse ("CHINA, KAZAKHSTAN MULL CROSS-BORDER GAS PIPELINE", 2004-0-25) reported that the PRC and Kazakhstan are mulling construction of a multi-billion dollar natural gas pipeline from the Central Asian nation to the PRC's western Xinjiang Autonomous Region, state press has reported. If built it would link with the PRC's West to East pipeline which will pump 12 billion cubic meters of natural gas from the Tarim Basin in Xinjiang to Shanghai, some 4,000 kilometers (2,400 miles) away, the China Daily reported Wednesday. The Sino-Kazak trunk would

give the PRC access to gas fields in western Central Asia as a back-up to the West to East line and is considered a further step toward meeting the country's long-term energy needs, the newspaper said. In the long term, the pipeline may extend further west towards Uzbekistan and Turkmenistan, and may be connected with grid conduits in Russia and Iran, creating a pan-Asian global energy bridge, the paper said.

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26. Typhoon Aere

Taipei ("TYPHOON AERE POUNDS TAIWAN, HEADS INTO CHINA", 2004-08-25) reported that a powerful typhoon triggered landslides and flash floods in northern Taiwan on Wednesday before plowing into the PRC where hundreds of thousands of people have been evacuated. Typhoon Aere triggered a landslide that buried a mountain village in northern Taiwan and the fate of its 100 residents was unknown, the disaster relief center said. The storm, feared to have killed 14 people in Japan and Taiwan will hit the same area of the PRC where Typhoon Rananim killed 164 people this month. Five people were missing and 33 injured in Taiwan. Aere, the fiercest storm to threaten Taipei this year, made landfall on mainland PRC at about 4:30 p.m. (0830 GMT), a PRC official said.

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27. Hong Kong Elections

The New York Times ("CHINA WILL USE PING-PONG TO INFLUENCE HONG KONG ELECTIONS", 2004-08-25) reported that more than three decades after the PRC used Ping-Pong diplomacy to start resuming ties with the US, Beijing is trying it again - this time in an attempt to influence elections in Hong Kong. The mainland PRC and the Hong Kong men's doubles table tennis teams will stage a rematch here - of their gold medal face-off in the Olympics Saturday. The rematch will be on Sept. 8, just four days before Hong Kong's legislative elections, officials said this week. The match, after a contest that the mainland team won easily in Athens, is just part of a drive by Beijing to induce Hong Kong voters to support its candidates and not the pro-democracy opposition. The mainland will send most of its Olympic gold medallists here from Sept. 6 to Sept. 8, in a display that could foster nationalist sentiment.

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