# NAPSNet Daily Report Monday, January 31, 2005

#### **Recommended Citation**

"NAPSNet Daily Report Monday, January 31, 2005", NAPSNet Daily Report, January 31, 2005, https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-monday-january-31-2005/

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**Preceding NAPSNet Report** 

#### I. United States

### 1. ROK on DPRK Nuclear Issue

The Associated Press ("SOUTH KOREA HOPES FOR 'SUBSTANTIAL RESOLUTION' OF NORTH KOREAN NUCLEAR ISSUE THIS YEAR", 2005-01-31) reported that a top ROK official urged the US to engage diplomatically with the DPRK to resolve a dispute over the DPRK's nuclear weapons program, comparing such a policy to President Nixon's decision to recognize the PRC in the 1970s. "The time for diplomacy is now," Chung Dong-young, ROK minister for Korean unification, told business and government leaders attending the World Economic Forum. He called on the US to engage in a diplomatic dialogue saying a policy of containment against the DPRK will fail.

(return to top) Korea Times ("NK SHOULDN'T WASTE TIME", None) reported that the DPRK should urgently resume multilateral talks on dismantling its nuclear weapons programs in order to best secure its survival, the ROK's unification chief said during a speech in Germany. "Pyongyang must not miss this chance and waste time," Unification Minister Chung Dong-young said in the address at Berlin's German Historical Museum. "It must realize that a nuclear development program would threaten the regime and not secure it." (return to top)

## 2. ROK on DPRK Nuclear Talks

Yonhap ("SEOUL SEEKS TO HOST SIX-WAY SUMMIT ON PYONGYANG'S NUCLEAR PROGRAM", 2005-01-31) reported that a top ROK official voiced hope Sunday that a summit of countries involved in six-way talks on the DPRK's nuclear program will be held on the sidelines of this year's Asia-Pacific economic forum meeting. The Asia-Pacific Economic Cooperation forum is scheduled to hold its annual summit in ROK's southern port city of Busan on Nov. 17-18.

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# 3. US on DPRK Nuclear Issue

Reuters ("US SAYS HAS SERIOUS PROPOSAL FOR N. KOREA - KYODO", 2005-01-31) reported that the US has a "serious proposal" for the DPRK and is ready to discuss it at six-party talks on Pyongyang's nuclear weapons programs, a senior US official was quoted as saying on Monday. "We are ready to go. We have a serious proposal. And we are ready to discuss it without preconditions," Kyodo news agency quoted Michael Green, senior director for Asia on the National Security Council,

as telling reporters in Tokyo.

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#### 4. PRC on DPRK Nuclear Talks

Reuters ("CHINA PROPOSES PREPARATORY N.KOREA TALKS - SOURCES", 2005-01-31) reported that the PRC has proposed holding working level talks to pave the way for a fourth round of six-party discussions on ending the DPRK's nuclear arms programs, diplomatic sources said on Friday. The proposal was made as the international community is trying to persuade the DPRK to abandon its nuclear weapons programs. "China proposed that we hold working-level talks to prepare for a fourth round of six-party talks in the near future," a diplomatic source in Tokyo told Reuters.

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#### 5. Sino-DPRK Economic Relations

Yonhap ("N KOREA TO OPEN UP CITIES ON CHINESE BORDER FURTHER", 2005-01-31) reported that the DPRK is intending to increase the opening-up of several of its cities located near its border with the PRC to further ongoing economic reforms, sources here said Monday (31 January). The DPRK has already re-introduced the private ownership of farmland and some private commercial activity, they added. "North Korea is preparing to open four or five cities, including Hyesan in Ryanggang Province, next year to expand its trade with China," an analyst on DPRK affairs said.

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## 6. Sino-US on DPRK Nuclear Issue

Korea Times ("NK NUKES THREATEN US-CHINA TIES: EXPERTS", None) reported that the standoff over the DPRK's nuclear weapons programs is threatening to destabilize relations between the US and the PRC, experts at an international conference in Seoul warned Monday. "China and Washington view possible future scenarios to the Korean crisis quite differently," said Jon Wolfsthal, deputy director for nonproliferation at Carnegie Endowment for International Peace in Washington DC. "North Korea's continued pursuit of nuclear weapon capabilities and the failure of the six party talks to produce concrete results threatens to further undermine stability in East Asia and could put US and Chinese interests in direct confrontation," he told the symposium, which was co-hosted by the university's Institute for International Trade and Cooperation.

(return to top) Kyodo ("SENIOR U.S. OFFICIAL TO VISIT BEIJING, N. KOREA LIKELY ON AGENDA", 2005-01-31) reported that a senior official from the US National Security Council will visit Beijing from late Monday for talks with PRC officials that are expected to cover the resumption of six-country talks on DPRK's nuclear weapons, diplomatic sources said. Michael Green, senior director for Asia on the National Security Council, is to arrive Monday night, a US Embassy spokeswoman said, adding she had no further schedule for Green nor did she say whom he will meet. (return to top)

# 7. Russia on DPRK Missile Exports

Donga Ilbo ("WSJ, "RUSSIA ATTEMPTED TO STOP NORTH KOREA'S MISSILE EXPORT"", 2005-0-31) reported that the Wall Street Journal (WSJ) reported on January 27 that the Russian government tried to block the DPRK's missile exports on two separate occasions. The WSJ quoted an American

official as saying that the new member of the PSI program, the Russian government, tried to interrupt the passage of a DPRK's missile bound for Iran after learning that the missiles would be transported through Russia. However, the missile parts were not found at that time.

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# 8. Russian, DPRK, ROK Electricity Trade

Korea Times ("TALKS ON ELECTRICITY PROVISION TO NK DUE", 2005-01-31) reported that Seoul and Moscow will search for ways to provide electricity to the DPRK at a meeting in Russia from Wednesday to Friday, the Korea Electro-technology Research Institute (KERI) said Monday. The DPRK will also attend the non-governmental talks, the fourth of its kind since 2003, the state-funded laboratory said. The meeting was designed to research ways of trading surplus electricity between the three countries, but the first beneficiary of the plan, if realized, will be the DPRK, which is suffering from a chronic shortage of electricity.

(return to top) Yonhap ("TWO KOREAS, RUSSIA TO DISCUSS LINKING ELECTRICITY NETWORKS", 2005-01-31) reported that the two Koreas and Russia will hold discussions in the Russian city of Khabarovsk this week on the issue of connecting their electricity networks. The Feb. 2-4 meeting, the fourth of its kind since talks were launched in 2003, will finally take place after the DPRK agreed to attend, officials said. The project is aimed at saving time and cutting operating costs by linking the respective electricity networks and increasing the efficiency of the distribution process. (return to top)

#### 9. DPRK Succession

Joongang Ilbo ("NORTH SEEN READYING SUCCESSION", 2005-01-31) reported that as his father Kim Il Sung did before him, DPRK leader Kim Jong-il appears to be paving the way for his own son to assume the mantle of power. Following a DPRK radio broadcast last week that spoke of the need for a dynastic order in the DPRK, ROK experts and intelligence officials said a series of signs indicate Pyeongyang has started making arrangements for another hereditary succession.

(return to top) The New York Times ("NORTH KOREA RAISES IDEA OF A KIM III", 2005-01-31) reported that the DPRK's leader, Kim Jong II, intends to perpetuate the family dynasty, handing over power one day to one of his three sons, ROK media reported Monday, quoting a recent DPRK state radio broadcast. The DPRK's leader said he would obey the will of his father, Kim II Sung, the DPRK founder, ensuring that the Communist revolution would be continued by a grandson, the ROK's JoongAng Ilbo newspaper reported quoting Kim Jong II's comments on the DPRK's official KRT radio. Kim Jong II is known to have three sons from two marriages. His younger sons, Jong Chol, 24, and Jong Un, 22, are believed to be candidates for succession. His eldest son, Kim Jong Nam, was detained three years ago traveling into Tokyo on a fake passport, and is believed to be out of favor. (return to top)

## 10. DPRK on Abductees

Yonhap ("N. KOREA CRITICIZES JAPAN FOR DISPUTE OVER REMAINS OF ABDUCTEES", 2005-01-31) reported that the DPRK accused Tokyo of "hypocrisy" Monday for claiming the remains of a Japanese citizen it abducted decades ago and recently repatriated belong to another person.

### 11. US on DPRK Sanctions

Donga Ilbo ("U.S. SUGGESTS FURTHER DISCUSSIONS ON JAPAN'S SANCTIONS AGAINST NORTH KOREA", 2005-01-31) reported that Michael Green, senior director for Asian affairs at the National Security Council (NSC), was known to have said on January 31 that in relation to the issue of Japanese abducted by the DPRK, it would be more desirable for Japan to decide whether to impose economic sanctions against the DPRK after it goes through sufficient discussions with the US.

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# 12. Japan on DPRK Sanctions

Yonhap ("TOKYO UNDER PUBLIC PRESSURE TO TAKE SANCTIONS AGAINST N. KOREA", 2005-01-31) reported that a visiting Japanese diplomat told ROK officials Sunday that his government is under mounting public pressure to take economic sanctions against the DPRK in connection with the "fake" remains of a Japanese citizen kidnapped by DPRK decades ago. Kenichiro Sasae, chief of the Japanese Foreign Ministry's Asia-Oceania bureau, discussed the issue in a meeting with ROK officials, ROK Foreign Ministry officials said.

(return to top) Kyodo ("JAPAN-N. KOREA TRADE LOWEST ON RECORD, SANCTIONS MAY BE INEFFECTIVE", 2005-01-31) reported that the total amount of commercial trade between Japan and the DPRK in 2004 was about 27.2 billion yen, the lowest since 1977, when the annual yen figure was first made public, according to Finance Ministry data. With the DPRK rapidly expanding its trade with the PRC and ROK, Japan's cooperation with these two countries would be crucial if it wants to impose effective economic sanctions on Pyongyang over abduction issues. (return to top)

# 13. DPRK Legal Code

Yonhap News ("N. KOREA BEGINS SELLING LEGAL CODE BOOK IN SOUTH", 2005-01-31) reported that the DPRK made available for sale to ROK citizens a book it published containing the country's legal code, including its revised criminal code. The 1,095-page book, published in August, went on sale in the ROK on Monday (31 January), an official at Daehoon Books Co, the ROK agent, told the Yonhap News Agency. This is the first time for the DPRK to sell a book of laws in the ROK. Experts view this as the DPRK's attempt to inform the outside world of its latest changes and show that it is governed by the rule of law.

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# 14. Inter - Korean Relations

Reuters ("SOUTH KOREA TO STOP TAGGING NORTH ITS 'MAIN ENEMY'", 2005-01-31) reported that the ROK's Defense Ministry says it will stop labeling the DPRK the "main enemy" in its latest Defense White Paper, out next week, apparently a further step in Seoul's reconciliation policy toward Pyongyang. "The White Paper will instead specify the direct military threat North Korea actually poses," the ministry said in a statement. "We will continue using the "enemy" expression in internal documents."

#### 15. APEC and Inter - Korean Relations

Yonhap ("S. KOREA SEEKS WAYS TO INVITE N. KOREA TO APEC WORKING GRP", 2005-01-31) reported that the ROK is looking at ways to invite the DPRK to attend a working-group meeting of the Asia-Pacific Economic Cooperation (APEC) forum ahead of its summit to be held in the nation's southern port city of Busan, the Foreign Ministry said Monday. The effort is being made apart from the proposal of Unification Minister Chung Dong-young to invite the DPRK to attend the APEC summit, according to the ministry.

(return to top) Donga Ilbo ("UNIFICATION MINISTER CHUNG INVITES KIM JONG IL TO APEC IN NOVEMBER", 2005-01-31) reported that on Sunday (local time), Unification Minister Chung Dongyoung, participating at the World Economic Forum (Davos Forum) as President Roh Moo-hyun's envoy, expressed his intention to invite DPRK leader Kim Jong Il to the ROK in November. (return to top)

#### 16. Inter - Korean Maritime Borders

Chosun Ilbo ("NORTH-SOUTH WAR OF WORDS OVER NLL HEATS UP", 2005-01-31) reported that a war of words with the DPRK is heating up over accusations that ROK naval patrols violated the DPRK's territorial waters in the West Sea south of the Northern Limit Line (NLL). The ROK Navy denies the charge. This is the first exchange of accusations since the two navies established a direct wireless communication system between warships in June. Pyongyang's claims are seen as psychological warfare aimed at undermining the integrity of the NLL, but the ROK Navy says it is prepared for possible DPRK provocations.

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## 17. ROK on DPRK Aid

Yonhap ("AT LEAST 700 BLN WON NEEDED TO HELP N.K. ECONOMY AFTER NUKE CRISIS", 2005-01-31) reported that the ROK will need at least 700 billion won (US\$683 million) to deliver on its promise of economic assistance to the DPRK after the standoff over the DPRK's nuclear program is resolved, a report showed Sunday. The international community has been urging the DPRK to give up its nuclear arms ambitions, holding out the prospect of massive energy supplies and other economic aid to the impoverished country.

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# 18. ROK Pastor - DPRK Abductees in Myanmar

Yonhap ("MISSING PASTOR, N KOREAN DEFECTORS SAID DETAINED IN BURMA'S REBEL AREA", 2005-01-31) reported that a Korean-American pastor who is said to be missing in Southeast Asia is being detained in a rebel-controlled area of Myanmar (Burma) along with six DPRK defectors, an activist claimed Monday (31 January). The government of Myanmar is said to have no influence in the area and recognizes the rebel's jurisdiction there, having inked a deal with the rebels, the activist said.

#### 19. DPRK on DPRK-US Relations

Yonhap ("N. KOREA SAYS IT NEEDS MORE BULLETS THAN CANDIES", 2005-01-31) reported that DPRK leader Kim Jong-il urged his people to prepare for a possible "enemy" invasion, saying that his country needs "more bullets than candies," the country's media reported Sunday. The DPRK's staterun Korean Central Broadcasting Station did not say which country Kim meant when he mentioned the "enemy" invasion but the DPRK usually condemns the US as its No. 1 enemy.

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#### 20. US Ambassador to the ROK

Korea Times ("WHO WILL BE NEXT US AMBASSADOR?", 2005-01-31) reported that the new US ambassador to the ROK must be one who knows the country very well and is competent in dealing with the allies' pending issues, such as the DPRK's nuclear weapons problems, officials and experts here said Monday. On top of the list is Richard Christensen, minister at the US Embassy in Kabul, Afghanistan, who had served as minister in the ROK from 1996 to 2000. Douglas H. Paal, director of the Taipei Office of the American Institute in Taiwan (AIT), is also tipped as one of the most viable candidates. Besides the two figures, some reports also picked other Korea specialists such as Richard Lawless, deputy assistant secretary for defense for the Asia Pacific region, and Michael Green, special assistant to the President for National Security Affairs.

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# 21. US Human Rights Envoy to the DPRK

Chosun Ilbo ("FORMER U.S. AMBASSADOR TO KOREA IN RUNNING AS RIGHTS ENVOY", 2005-01-31) reported that the US will appoint a special envoy to monitor the human rights situation in the DPRK in accordance with the US North Korean Human Rights Act legislated last October, sources said Friday. Under Secretary for Global Affairs at the State Department Paula J. Dobriansky and former US ambassador to the ROK James Lilley are the most promising candidates.

(return to top) Yonhap ("BUSH TO PICK SPECIAL ENVOY ON N. KOREAN HUMAN RIGHTS SOON", 2005-01-31) reported that James Lilley, a former US ambassador to the ROK and PRC, is likely to become Washington's first special envoy to monitor the human rights situation in the DPRK, sources said Thursday. The administration of US President George W. Bush will soon announce its choice for the post, a measure stipulated by the DPRK Human Rights Act of 2004, they added. (return to top)

## 22. DPRK Environment

Agence France-Presse ("FINLAND LEADS WORLD ON ENVIRONMENT, NORTH KOREA AT BOTTOM: STUDY", 2005-01-31) reported that Finland is the world leader in pursuing environmentally friendly policies, according to a study of 146 countries for a global index Friday that ranks the DPRK, Iraq and Taiwan at the bottom. The 2005 Environmental Sustainability Index (ESI), unveiled at the World Economic Forum being held in the Swiss resort of Davos, put the US in 45th place, although ahead of Britain in 66th.

## 23. DPRK Infrastructure

Yonhap ("ESCAP SETTING PLANS TO HELP N. KOREA WITH BASIC INFRASTRUCTURE", 2005-0-31) reported that the U.N. Economic and Social Commission for Asia and the Pacific (ESCAP) is putting the finishing touches on a plan the help with the DPRK's dilapidated infrastructure, the executive secretary of the organization said Monday. Kim Hak-su, who has been reelected to the executive post for another two-year term, said the support blueprint covers energy, transportation, water use, environmental protection and statistics management.

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#### 24. DPRK on Aid

Yonhap ("PYONGYANG ASKS S. KOREAN FIRM TO DELAY BRIQUETTE SHIPMENT", 2005-01-31) reported that the DPRK demanded Monday that a ROK Internet company postpone its plan to send 50,000 briquettes to the DPRK, company officials said. Officials from Empas.com were scheduled to visit the DPRK to convey the blocks of fuel on Monday, but the DPRK said it could not "receive supplies for the time being," a company official said. The DPRK has refused to receive relief goods from the ROK government and Red Cross since early this month.

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#### 25. Canadian Event on the DPRK

Yonhap ("CANADA PRESENTS FRIENDLY LOOK AT NORTH KOREA", 2005-01-31) reported that Canada will present its own view of the DPRK with films and photographs from and about the country next month, challenging its neighbor's definition of Pyongyang as part of "the axis of evil," the event organizer said Sunday. An exhibition, dubbed "Axis to Grind: Inside North Korea," will take place in Toronto from February 16 to 17, with films, photographs and digital work prepared by Vancouver artist Irwin Oostindie and sponsored by the Canadian government, the event's online organizer and publicist www.axistogrind.com said.

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# 26. Jenkins on DPRK

Reuters ("US DESERTER JENKINS CALLS KIM JONG-IL 'EVIL MAN'", 2005-01-31) reported that a former US army sergeant who deserted to the DPRK 40 years ago said in his first news conference since leaving the DPRK that DPRK leader Kim Jong-il was an "evil man." Asked by reporters what he thought of Kim Jong-il, Jenkins said: "I've never met Kim Jong-il, but he is an evil man." "As far as Kim Jong-il's regime, could anybody say anything good about it other than a few stooges? It's a socialist country's system of exploiting and oppressing the people."

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## 27. Cross Strait Relations

Washington Post ("CHINA SIGNALS SLIGHT SHIFT IN POLICY TOWARD TAIWAN", 2005-01-31) reported that the PRC leadership signaled a slight softening of its policies toward Taiwan on Friday, offering to open talks with any Taiwanese leader "regardless of his past rhetoric and actions." It also

pledged to work through informal channels if necessary to lift trade barriers and open direct transport and postal links with the island. The speaker, Jia Qinglin, a member of the ruling Politburo Standing Committee, also suggested that the government was willing to end its hostility toward President Chen Shui-bian if he abandons his campaign to promote Taiwan's independence.

(return to top) The New York Times ("FLIGHTS FROM TAIWAN TO MAINLAND SIGNAL SOFTER TONE FROM BEIJING", 2005-01-31) reported that the PRC struck a more conciliatory posture toward Taiwan on Friday and offered to restart diplomatic talks, an overture that came on the eve of the first direct flights between the island and the mainland since the Communist Party took power in 1949. In a speech on Friday afternoon, Jia Qinglin, a member of the PRC's ruling circle, offered no concessions on the PRC's basic demand that Taiwan abandon any moves toward independence and recognize itself as part of "one China." He said the PRC would not allow Taiwan independence under any circumstance. (return to top)

# 28. Zhao Ziyang's Funeral

Washington Post ("THOUSANDS MOURN CHINESE EX-LEADER", 2005-01-31) reported that arriving in sleek sedans and battered taxicabs, by subway and on foot, thousands of Chinese defied a vast cloak of security in the capital and gathered in and around a state cemetery Saturday to honor Zhao Ziyang, the party leader ousted in 1989 for opposing the military assault on pro-democracy demonstrations in Tiananmen Square. Zhao died Jan. 17 at the age of 85, and the PRC government adopted extraordinary measures to prevent his death from stirring memories of the Tiananmen massacre and provoking new protests or demands for democratic reform. It ordered a virtual news blackout, detained dozens of dissidents and others involved in the 1989 movement and seized control of his funeral from his family, insisting on only a modest, invitation-only service.

(return to top) The Associated Press ("CHINA KEEPS CLOSE WATCH ON DISSIDENTS", 2005-0-31) reported that the RPC kept a close eye on dissidents Sunday, a sign of the government's unease over potentially widespread mourning over the death of ousted Communist Party leader Zhao Ziyang, who fell from power for sympathizing with pro-democracy demonstrators in 1989. Zhao, who died Jan. 17, was cremated Saturday at the main burial site for revolutionary heroes after a tightly controlled memorial service - below a state funeral in status - where only guests approved by the government were allowed. Activists were banned from attending the service and were watched over by security agents guarding their homes and tapping their telephones. (return to top)

## 29. Sino-US Relations

Agence France Presse ("US-CHINA BEGIN DEFENSE MINISTRY SECURITY TALKS", 2005-01-31) reported that security talks between PRC and US defense ministry officials have begun, with the two sides likely to discuss heightening tensions across the Taiwan Straits. "Richard Lawless, deputy assistant secretary of defense for the Asia Pacific region is leading the US side in the security dialogue," a US embassy spokeswoman told AFP. The PRC's state-run Xinhua news agency called the talks "the first-ever special policy dialogue" between the two defense ministries.

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# 30. Sino - Venezuelan Relations

The Associated Press ("VENEZUELA AND CHINA SIGN OIL AGREEMENTS", 2005-01-31) reported that President Hugo Chavez and Chinese Vice President Zeng Qinghong signed several agreements Saturday concerning oil, agriculture and technology, officials said. "Each (agreement) will turn into

a thousand things," Chavez said after the signing ceremony at the presidential palace. During their meeting, Chavez and Zeng signed a total of 19 agreements after discussing technological cooperation, as well as mining, oil and gas projects, according to a statement issued by the information ministry.

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## 31. PRC Gender Imbalance

The New York Times ("FEARING FUTURE, CHINA STARTS TO GIVE GIRLS THEIR DUE", 2005-0-31) reported that for farming families in the lush mountains of coastal Fujian Province, there is such a glut of boys here - roughly 134 are born for every 100 girls - that the imbalance has forced an unlikely response from the PRC government. To persuade more families to have girls, it has decided in some cases to pay families that already have daughters. Until recent years, the government largely ignored or denied the problem. Last March, President Hu Jintao declared it must be solved by 2010. Last year, the State Council, China's cabinet, appointed a research group of 250 demographers and other experts to examine issues like imbalance between the sexes, dropping fertility rates and ways to prepare for the PRC's rapidly aging population. It may also address whether and when the PRC should move to a nationwide two-child policy to prevent a looming baby bust.

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# 32. PRC Economy

The Associated Press ("CHINA, EU TELL DIFFERENT ECONOMIC TALES", 2005-01-31) reported that the PRC's vice premier and the president of the European Commission offered glimpses Saturday of where the global economy is going, a tableau of wildly varying fortunes. First up was PRC Vice Premier Huang, who predicted that the PRC's per capita income will triple over the next 15 years, continuing a blistering expansion that is turning the PRC into an economic powerhouse.

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## 33. US on PRC IBM Deal

Washington Post ("NATIONAL SECURITY PANEL WILL EVALUATE IBM DEAL", 2005-01-31) reported that the pending sale of International Business Machines Corp.'s personal-computer business to a PRC company will be investigated by the Bush administration to determine whether the deal threatens national security, according to administration and congressional sources. The investigation was launched by an interagency committee in a relatively rare exercise of administration authority over foreign purchases of US businesses, said the sources, who would not speak about the issue publicly because the panel's work is confidential.

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