

# NAPSNet Daily Report Monday, September 20, 2004

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## **I. United States**

### **1. Ryanggang Blast**

Chosun Ilbo ("SIGNS INDICATE NO EXPLOSION OCCURRED IN N. KOREA'S KIM HYONG-JIK COUNTY", 2004-09-17) reported that with the dispatch of Pyongyang-based diplomats to the construction site of the Samsu Hydroelectric Plant, it appears that the process of getting to the bottom of the Ryanggang "explosion" is drawing to a close. In fact, it has been learned that ROK and US intelligence officials have virtually concluded that the problematic black cloud detected on satellite photos was a strange shaped cloud resulting from a natural phenomenon, and that there was no explosion in the area around Ryanggang Province. This is because the strange-shaped cloud, which was first suspected of being a sign of an explosion, may very well have been a natural cumulonimbus cloud, and what's more, no seismic waves were detected from the Ryanggang Province region between Sept. 8 and Sept. 9.

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### **2. DPRK on Ryanggang Blasts**

BBC ("NORTH KOREA PLANS MORE BLASTS - GERMAN ENVOY", 2004-09-17) reported that the DPRK is planning to carry out further explosions as part of a hydroelectric power plant project after two major blasts last week that prompted worries of accidents and nuclear tests, the German ambassador to Pyongyang, who visited the blast site Thursday (16 September), said Friday. Doris Hertrampf said in a telephone interview that a DPRK engineer told a group of diplomats who visited the site that they had been carrying out deliberate detonations for several weeks, and that two "very big blasts" took place 8 and 9 September. She added the DPRK is planning to blow up two more

mountains, although she did not know when that would take place.

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### **3. IAEA on Ryanggang Blasts**

The Associated Press ("ATOMIC WATCHDOG UNSURE ON N. KOREA BLAST", 2004-09-19) reported that the head of the International Atomic Energy Agency said Sunday he does not believe the DPRK set off a nuclear blast earlier this month, but is not "100 percent sure." He said reports from other agencies with devices that monitor explosions suggest "that it doesn't look like a nuclear explosion," IAEA Director Mohammed ElBaradei said on CNN's "Late Edition." "I am leaving the door open," he said. "I think I would like to go there. ... If North Korea would like to exclude that possibility completely, they would be well advised to allow us and other experts to go and inspect that. As long as we are not there, I cannot exclude that possibility 100 percent."

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### **4. EU on Ryanggang Blasts**

Reuters ("N.KOREA BLAST SCENE A CONSTRUCTION SITE -- DIPLOMATS", 2004-09-16) reported that diplomats who visited the scene of a mysterious explosion in the DPRK said the site was a hydroelectric construction project where they were told two explosions had been conducted, Kyodo news agency reported. But he said the visitors had reached no conclusion on the DPRK's claim that the two blasts were carried out for the project and that ambassadors of European Union nations would meet Friday to discuss the matter further. Kaluza told Kyodo the DPRK project manager told the diplomats there were 50,000 workers at the site and gave them figures on the size of the project, the amount of explosives used and the amount of soil that had to be removed.

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### **5. ROK on Ryanggang Blasts**

Reuters ("SOUTH KOREA SAYS ENVOYS TAKEN TO WRONG SITE", 2004-09-17) reported that foreign diplomats who visited the site of a mysterious explosion in the DPRK said on Friday it was a hydroelectric project under heavy construction, but the ROK insisted the blast took place elsewhere. But a ROK official was quoted as saying on Friday that Seoul's assessment placed the explosion in a county to the west of Samsu, where the diplomats were taken. "It was in Kimhyungjik county where indications of an explosion originated," the ROK's Yonhap news agency quoted Vice Unification Minister Rhee Bong-jo as saying.

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### **6. US on DPRK Nuclear Issue**

Korea Times ("LAPORTE REBUFFS 'OCTOBER SURPRISE'", 2004-09-18) reported that the US has found no indications that the DPRK will conduct any nuclear experiments next month, the US' top military chief here said Friday. Playing down rumors of what has been dubbed the "October Surprise," Gen. Leon LaPorte, the current commander of the US and UN troops in the ROK, said he had not heard about it previously. The possibility of an "October Surprise" recently became the talk of the town when Rep. Park Jin, an opposition Grand National Party lawmaker, while on a US visit early this month said that the DPRK may conduct a nuclear weapons test next month.

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## **7. ROK on DPRK Multilateral Talks**

Reuters ("N.KOREA SEEN USING SOUTH ATOMIC ISSUE TO STALL TALKS", 2004-09-20) reported that the ROK Monday shrugged off DPRK criticism of the ROK's experiments with nuclear materials as familiar posturing that would not rule out the DPRK's return to atomic arms talks. "They think of it as excuse or pretext for not coming to the six-party talks," Lee Sun-jin, a ROK deputy foreign minister, told a panel of foreign journalists. "But North Korea's real intention is yet to be seen," he said.

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## **8. IAEA on ROK Nuclear Experiment**

Seoul ("U.N. NUCLEAR WATCHDOG GOES TO SOUTH KOREA", 2004-09-19) reported that a delegation from the United Nations nuclear watchdog arrived in the ROK on Sunday for a follow-up probe into the country's secret nuclear experiments. The visit follows the ROK's recent admission that its scientists once dabbled in extracting plutonium and enriching uranium, both of which can be used to make nuclear arms. The five-member team declined to give details of its investigation and left soon after arriving for the Korea Atomic Energy Research Institute in Daejeon, 125 miles south of Seoul, according to the ROK's Yonhap news agency. It was the second visit this month by a delegation from the UN agency.

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## **9. ROK on Nuclear Experiment**

The Associated Press ("SOUTH KOREA SAYS IT WON'T DEVELOP NUKES", 2004-09-18) reported that the ROK insisted Saturday it will never develop nuclear weapons, "We declare again that we have no intention of developing or possessing nuclear weapons," ROK Unification Minister Chung Dong-young said Saturday. "And we have never promoted a nuclear development for military purposes."

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## **10. ROK Nuclear Policy**

Chosun Ilbo ("GOV'T ANNOUNCES 4-POINT PROGRAM ON PEACEFUL NUCLEAR ENERGY USE ", 2004-09-20) reported that the ROK government held a National Security Council (NSC) on Saturday to declare its "Four-Point Peaceful Nuclear Policy" and stress that the government has no intention of developing nor possessing any nuclear weapon. Unification Minister Chung Dong-young held a press conference with Foreign Affairs Minister Ban Ki-moon and Science & Technology Minister Oh Myung and said, "The government, while seeking to raise international trust and enhance transparency (in the ROK's nuclear activities), will expand the use of nuclear energy for peaceful purposes."

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## **11. IAEA on DPRK Nuclear Issue**

Chosun Ilbo ("IAEA CHIEF URGES N. KOREA TO ALLOW INSPECTIONS ", 2004-09-20) reported that International Atomic Energy Agency (IAEA) director general Mohamed ElBaradei urged on Sunday the DPRK to allow IAEA inspection team to visit the site and validate that there had been no nuclear activities. He said "there is no doubt North Korea has the capability to produce nuclear weapon," and added, "If North Korea would like to exclude that possibility completely, they would be well advised to allow us and other experts to go and inspect."

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## **12. DPRK on Nuclear Issue**

The Associated Press ("N. KOREA WON'T GIVE UP NUKE DEVELOPMENT", 2004-09-20) reported that the DPRK said Monday that it will not give up nuclear development in light of unauthorized nuclear experiments by ROK, where U.N. inspectors nuclear inspectors were conducting an investigation. Rodong Sinmun, an official DPRK newspaper, said in an editorial that the secret nuclear activities in the ROK in 1982 and 2000 were an "inevitable result of double standards" applied by the US, the ROK's chief ally. "South Korea's uranium experiment is evidence that the United States is trying to take advantage of the six-party talks to disarm North Korea rather than keep the Korean Peninsula free of nuclear weapons," said Rodong Sinmun.

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## **13. Japanese - DPRK Relations**

Financial Times ("JAPAN REJECTS NORTH KOREA LINKING TALKS WITH SOUTH NUCLEAR PROBE", 2004-09-17) reported that Japan considers it inappropriate that the DPRK is refusing to again join the six-party talks on its nuclear ambitions until a probe is conducted into South Korea's nuclear experiments, top government spokesman Hiroyuki Hosoda said Friday (17 September). "I think it is inappropriate that North Korea does not respond to the six-way talks because of South Korea," Chief Cabinet Secretary Hosoda said in a news conference. "North Korea should rather actively accept International Atomic Energy Agency studies and inspections in the same manner as South Korea," he said, reiterating Japan's call for an early resumption of the multilateral talks.

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## **14. IAEA on Proliferation**

The Associated Press ("U.N. OFFICIAL: 40 NATIONS CAN MAKE NUKES", 2004-09-20) reported that more than 40 countries with peaceful nuclear programs could retool them to make weapons, the head of the UN atomic watchdog agency said Monday. Mohamed ElBaradei, director general of the International Atomic Energy Agency, suggested in a keynote address to the IAEA general conference that it was time to tighten world policing of nuclear activities and to stop relying on information volunteered by countries. Beyond the declared nuclear arms-holding countries, "some estimates indicate that 40 countries or more now have the know-how to produce nuclear weapons," ElBaradei said.

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## 15. UN Command on DPRK

Financial Times ("UNITED NATIONS COMMAND IN SOUTH KOREA REJECTS NORTH DEMAND FOR DISSOLUTION", 2004-09-17) reported that the US-led United Nations Command in the ROK, which oversees a truce on the Korean Peninsula as a party to the 1953 armistice with the DPRK, on Friday rejected the communist state's claim that it is not a legitimate UN entity. On Thursday (16 September), the DPRK renewed its demand for the UNC's dissolution, accusing the US of "illegally fabricating" the 16-country organization without appropriate authorization from the United Nations. The DPRK claimed that the UNC are not UN troops, but just "US-led coalition forces," citing what it claimed was a UN spokesman making such a distinction in response to a letter it sent in July to UN Secretary General Kofi Annan.

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## 16. Sino - DPRK Relations

Agence France-Presse ("NORTH KOREAN LEADER CONGRATULATES HU JINTAO ON TRANSFER OF POWER", 2004-09-19) reported that DPRK leader Kim Jong-Il sent a congratulatory message to PRC President Hu Jintao for becoming the country's highest military chief, Pyongyang said. Hu on Sunday replaced ageing former leader Jiang Zemin as chairman of the Communist Party's Central Military Commission, completing a leadership transition that began in November 2002 when he replaced Jiang as party head. "I... extend warmest congratulations to you upon the successful fourth plenary meeting... and your holding of the post as chairman of the party Central Military Commission," KCNA quoted Kim as saying.

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## 17. DPRK Envoy Dies

Korea Times ("SENIOR NK OFFICIAL DIES", 2004-09-20) reported that a senior DPRK official who contributed to inter-Korean relations has died of a chronic disease, Pyongyang's official news agency KCNA reported Monday. Song Ho-kyong, vice chairman of the DPRK's Asia-Pacific Peace Committee, passed away at the age of 63 on Sunday, the DPRK's mouthpiece reported without providing any further details. The committee is in charge of managing economic projects involving the ROK. Song was one of the main Pyongyang officials involved in negotiations with ROK counterparts, including Hyundai Asan, for a tourism project at the scenic Mt. Kumgang in the DPRK in 1998.

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## 18. Sino-DPRK Military Relations

Chosun Ilbo ("HU JINTAO TO BRING CHANGES IN SINO-NORTH KOREAN TIES", 2004-09-20) reported that the system of PRC President Hu Jintao, who has ascended to the chairmanship of the PRC Communist Party's Central Military Commission, will strengthen pragmatism in the Sino-DPRK relationship and bring gradual changes to bilateral ties, forecasts say. In particular, under Hu's post-revolutionary era leadership, changes are expected -- even in military affairs -- in a relationship that has up till now been a blood alliance. With Hu's generation gaining control of the military leadership, changes in the military relationship between the DPRK and PRC have become unavoidable, and it would appear hard for the DPRK to count on unconditional patronage and past ties based on the blood alliance.

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## **19. Inter - Korean Relations**

Chosun Ilbo ("N. KOREA SNUBS GNP LAWMAKERS FOR KAESONG CEREMONY ", 2004-09-20) reported that the DPRK has refused to issue invitations to 11 lawmakers affiliated with the ROK's Grand National Party (GNP), and the completion ceremony of the development office of the Kaesong Industrial Complex, originally scheduled for Sept. 21, has been put off to a later date. The Korea Land Corporation (KLC) said Sunday that of the 260 Southern participants originally scheduled to attend the ceremony, the DPRK excluded from its invitation list 11 GNP lawmakers who were members of the National Assembly's committee on construction and transportation.

Yonhap ("N. KOREA TO ALLOW GNP LAWMAKERS TO VISIT KAESONG COMPLEX ", 2004-09-20) reported that the DPRK has changed its earlier position banning the ROK's opposition party lawmakers from visiting a future industrial complex in the city of Kaesong, near the inter-Korean border, a government official said Monday. The official, who requested anonymity, did not, however, provide a reason for the DPRK's change of mind.

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## **20. DPRK - Cuba Relations**

Yonhap ("N. KOREA, CUBA SIGN COMMODITY EXCHANGE AGREEMENT", 2004-09-20) reported that the DPRK signed an agreement with Cuba on commodity exchange on Monday, the DPRK's state-run news agency reported. The North's Ministry of Foreign Trade and its Cuban counterpart also agreed on fixing prices of their respective commodities sent to each other, the Korea Central News Agency (KCNA) said.

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## **21. DPRK Human Rights**

Financial Times ("NORTH KOREA ADMITS HAVING LABOUR CAMPS - UK", ) reported that the DPRK has for the first time admitted the existence of labor camps for political prisoners, a British Foreign Office junior minister said on Thursday (16 September). DPRK officials made the admission, when they were shown satellite pictures of the camps, Bill Rammell, who just returned from his trip to Pyongyang, said at a news conference. There is a huge philosophical divide about human rights between the DPRK and the West, Rammell said, adding that the DPRK also admitted to giving human rights issues lower priority in their policy making.

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## **22. UK - DPRK Relations**

Reuters ("BRITAIN HOPEFUL NORTH KOREA MAY ADMIT RIGHTS TEAM", 2004-09-20) reported that Britain hopes the DPRK may be willing to admit international human rights monitors for the first time, a minister who visited the DPRK last week said Monday. Foreign Office Minister Bill Rammell, the first British government minister to go to Pyongyang, said he would press for access for the UN special rapporteur on human rights when he meets the DPRK's human rights minister again in New York later Monday. Rammell said he believed he made limited progress in starting a dialogue with the DPRK about human rights, and they had not rejected out of hand the idea of

admitting UN monitors.

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## 23. DPRK Energy and Economy

Wall Street Journal ("N KOREA STRIVES TO BOOST ENERGY PRODUCTION", 2004-09-17) reported that the DPRK is striving to boost its energy production as the impoverished country tries to rebuild its economy after decades of mismanagement, a senior international aid official said Friday. Marcel Wagner, Adventist Development and Relief Agency's bureau chief in Pyongyang, said the DPRK is making substantial progress in mending its economy. "North Koreans are making great efforts to stand up on their own, and I've seen many positive signs," said Wagner in Seoul. "They have made great improvement on its light industry, and there are many projects going on for energy-related plants in the country." Wagner cited the energy industry as the sector that has made the biggest progress over the years.

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## 24. DPRK Imports

The Associated Press ("N. KOREA TRIED TO IMPORT TOXIC CHEMICAL", 2004-09-18) reported that the ROK stopped the DPRK from acquiring 70 tons of sodium cyanide, a toxic chemical that can be used to make sarin nerve gas, news reports said Saturday. The DPRK tried to import the chemical from Thailand in September last year before the ROK persuaded Bangkok to stop the shipment, the mass-circulation daily Chosun Ilbo quoted Foreign Minister Ban Ki-moon as telling a National Assembly hearing on Friday. An unidentified ROK company sold about 338 tons of sodium cyanide to a Thai company in February 2002, Chosun said. The unidentified Thai firm then arranged to ship 70 tons of the chemical to the DPRK.

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## 25. DPRK Defectors

Donga Ilbo ("AFTER LEAVING THE HANAWON, AN INSTITUTE THAT HELPS NORTH KOREAN DEFECTORS SETTLE ", 2004-09-20) reported that on September 10, the Hanawon, an institute located in Anseong, Gyeonggi Province to help DPRK defectors settle, had its graduation (59th class), and an official of Hanawon brought up the subject of borrowing money to 152 DPRK defectors who are taking their first steps in ROK society. This is because the initial subsidy that the government grants is less than the rent of their rental apartment. Therefore, the DPRK defectors can only provide themselves with a place to sleep if they can meet the difference.

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## 26. DPRK on Defectors

Yonhap ("N. KOREA DEPLOYS ELITE UNIT ON CHINESE BORDER: REPORT", 2004-09-20) reported that the DPRK has deployed a unit of elite combat soldiers along its border with the PRC in a bid to crack down on defectors, a Japanese daily reported Sunday. Citing a PRC state journal on international affairs, the Yomiuri Shimbun said that the unit, which is under the control of Pyongyang's National Defense Commission, has been moved from the country's border with the ROK.

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## 27. US - ROK Relations

JoongAng Ilbo ("NEGOTIATORS CALLED TOO PASSIVE VS. U.S. ", 2004-09-20) reported that an internal assessment by the Blue House of the performance of ROK negotiators in talks to relocate the US military headquarters in Yongsan, Seoul, was scathing. The report accused the Foreign Ministry's North American bureau of being submissive to US demands. It also said the Defense Ministry's policy planning bureau was overly dependent on the US and narrow-minded in its thinking. The report was given to the JoongAng Ilbo yesterday by the Democratic Labor Party's Representative Roh Hoe-chan.

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## 28. ROK Energy

Korea Times ("SOUTH KOREA, KAZAKHSTAN SIGN DEALS ON ENERGY, RESOURCES", 2004-0-20) reported that the ROK and Kazakhstan agreed Monday to strengthen bilateral cooperation in energy and mineral resources. During a summit meeting at the Kazakh presidential palace, President Roh Moo-hyun and Kazakh President Nursultan Nazarbayev agreed to jointly develop the Caspian oil field and an uranium field in southern Kazakhstan. The two nations signed an agreement and a memorandum of understanding (MOU) on joint exploration of energy and mining resources, a protocol on Seoul's purchasing 69 percent of equity in ground mining in the Tenge area of Kazakhstan. Seoul and Astana also inked an MOU for the exploration of a uranium mine and for the setup of an economic cooperation council between the two nations.

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## 29. ROK - Russian Relations

Agence France-Presse ("SOUTH KOREA'S ROH IN RUSSIA FOR N.KOREA TALKS, ENERGY", 2004-09-20) reported that the ROK President Roh Moo-Hyun launched a four-day visit to Moscow aimed at boosting Russia's role in curbing the DPRK's nuclear weapons drive and getting greater access to Russian energy riches. Roh, the first ROK leader to travel to Russia since Kim Dae-Jung in 1999, will hold a summit with his Russian counterpart Vladimir Putin on Tuesday to discuss Russia's role in six-way talks on the DPRK's nuclear weapons program and ways to boost economic exchanges. "Russia is a major partner for South Korea and we have common aims and tasks," he told the ITAR-TASS news agency. "It plays a very important role in resolving the nuclear problem in the Korean peninsula and I hope it will continue to do so," Roh added, voicing hope Moscow can exert some influence over its Communist-era ally.

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## 30. ROK - Japanese Relations

Yonhap ("S. KOREAN NUCLEAR NEGOTIATOR TO VISIT JAPAN ", 2004-09-20) reported that the ROK's top nuclear negotiator will visit Japan Tuesday for talks on the DPRK and Seoul's unauthorized nuclear experiments, an official said. During the three-day trip, Deputy Foreign Minister Lee Soo-hyuck will meet his counterpart Mitoji Yabunaka and other Foreign Ministry officials, a senior Seoul official said.

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## **31. Japan UNSC Bid**

The Associated Press ("JAPAN PRIME MINISTER PUSHES FOR U.N. SPOT", 2004-09-20) reported that with one of the best-equipped militaries in Asia and the world's second largest economy, Japan spreads its wealth around the world generously with foreign aid. Tokyo now says there's a perfect way to acknowledge that clout - by giving it a permanent seat on the UN Security Council. Prime Minister Junichiro Koizumi is expected to personally make his case for joining the ranks of five veto-wielding powers when he addresses the UN General Assembly on Tuesday. Japan has long campaigned for a seat on the council next to the US, PRC, Russia, Britain and France. But Koizumi took the campaign to a new level when he adopted it as his pet project this year, ahead of a report by a UN panel set up by Secretary-General Kofi Annan to study recommendations for reform, including possibly expanding the Security Council.

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## **32. US Japanese Military Relations**

The New York Times ("JAPANESE ISLAND TRIES TO EVADE FLIGHT PATH", 2004-09-20) reported that Shimoji Shima, population 75 and less than four square miles, has something the militaries of the US and Japan desperately want: a 10,000-foot concrete runway, about halfway between Okinawa Island and Taiwan. In this environment, high-level American and Japanese discussions were held in Tokyo this month about opening Shimoji Shima's civilian airstrip to military use - largely maritime patrols and joint training drills - by US and Japanese pilots. But as news of the talks started to leak out, it drew Okinawan opposition. With many Okinawans committed to shifting their economy from military spending to ecological tourism, they voiced opposition to the idea of US warplanes using the strip here, originally built to train Japanese commercial jet pilots.

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## **33. US - Japanese Trade Relations**

The Associated Press ("JAPAN IS CLOSER TO LIFTING U.S. BEEF BAN", 2004-09-20) reported that in a break from its steadfast ban on US beef because of mad cow disease, Japan is moving toward allowing a resumption of imports if American officials can guarantee it's from cattle no older than 20 months at slaughter. American beef industry officials expect President Bush and Japanese Prime Minister Junichiro Koizumi to discuss the Japanese ban Tuesday when both leaders will be in New York for the UN General Assembly's annual meeting.

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## **34. PRC Transfer of Power**

Washington Post ("CHINA'S EX-LEADER QUILTS POST IN MILITARY JIANG COMPLETES TRANSFER OF POWER TO YOUNGER RULERS", 2004-09-19) reported that former president Jiang Zemin resigned Sunday as the head of the PRC's military, turning the job over to his successor as president and Communist Party leader, Hu Jintao, and completing the orderly transfer of power to a younger generation. The resignation of Jiang, 78, announced at the close of a four-day meeting of the party's Central Committee, for the first time put Hu, 61, formally in command of all the vast party, government and military bureaucracies that rule the PRC and its 1.3 billion people. The shift,

although important for the smooth working of the PRC government, was unlikely to produce swift or radical changes in the way the government approaches its relations with the US, its resolve to reincorporate Taiwan into mainland PRC or its effort to continue moving the nation toward a market economy while maintaining growth and social stability.

The New York Times ("HU TAKES MILITARY REINS, COMPLETING SHIFT IN CHINA", 2004-09-20) reported that the PRC's president, Hu Jintao, replaced Jiang Zemin as the country's military chief and de facto top leader on Sunday, state media announced, completing the first orderly transfer of power in the history of PRC's Communist Party. Mr. Hu, who became Communist Party chief in 2002 and president in 2003, now commands the state, the military and the ruling party. He will set both foreign and domestic policy in the world's most populous country, which now has the world's seventh-largest economy and is rapidly emerging as a great power. But Mr. Jiang's retirement suggests that the party now operates more according to the consensus of its elite members rather than the whims of its most senior leader.

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## 35. Keyser Case

The New York Times ("U.S. SAYS DIPLOMAT QUIT POST, THEN MET WITH TAIWAN AGENTS", 2004-09-17) reported that a former senior State Department official charged with trying to conceal a prohibited trip to Taiwan last year resigned from the government on July 30 and then met with two Taiwan intelligence agents the next day, according to a criminal affidavit filed in federal court. The affidavit does not charge Mr. Keyser with espionage. Nor does it say that the material Mr. Keyser passed to the agents, in several meetings both before and after Mr. Keyser left office, contained classified information. But it notes that the affidavit may not include everything the government knows, and it would not be unusual for the Justice Department to file additional charges later.

Washington Post ("ARREST SHOCKS FORMER STATE DEPARTMENT COLLEAGUES HIGHLY REGARDED EXPERT ON ASIA IS ACCUSED OF PASSING DOCUMENTS AND TAKING SECRET TRIP TO TAIWAN", 2004-09-17) reported that Donald W. Keyser, 61 and on the cusp of retirement, is accused of passing documents to Taiwanese intelligence agents and making a secret, unauthorized trip to the island. FBI agents who tailed Keyser to an Alexandria restaurant twice this summer said they watched him pass documents to two Taiwanese agents, according to an affidavit filed Wednesday in US District Court in Alexandria. People who worked alongside Keyser over the past several years were astonished yesterday at the news. They described a pragmatic man who was evenhanded in his dealings with the PRC and Taiwan, despite the cross-strait tensions. One former colleague described Keyser, whose wife is a CIA officer, as the quintessential "straight arrow."

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## 36. Taiwan on Keyser Case

Reuters ("TAIWAN FOREIGN MINISTER TO VISIT GRENADA, U.S.", 2004-09-19) reported that Taiwan Foreign Minister Mark Chen left on a trip to Grenada three days early to offer help to the hurricane-devastated island, but will stop off on a private visit to the US, a Taiwan spokesman said on Sunday. "The trip was planned long ago, but was moved up three days due to the devastation brought by Hurricane Ivan to our diplomatic ally, Grenada," said ministry spokesman, Michel Lu. Lu said Chen would make a transit stop in the US although he declined to say where. Lu said the case of the former US diplomat would be raised.

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## 37. Cross Strait Relations

Reuters ("CHINA'S JIANG BACKS HU, THREATENS FORCE ON TAIWAN", 2004-09-20) reported that the PRC's newly retired military leader Jiang Zemin threw his weight behind his successor Hu Jintao Monday and advised the armed forces never to renounce the use of force to re-claim Taiwan. Jiang, shown on China Central Television (CCTV) wearing a military uniform without insignia, said the military should never drop the threat of force to reclaim Taiwan, which Beijing considers part of the PRC's sovereign territory. "On the Taiwan issue, we should, with the greatest sincerity, make the greatest efforts to realize the peaceful unification. But we can never promise to give up the use of force. This is a very important political choice," he said.

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## 38. PRC Weapons Sales

Agence France-Presse ("US SANCTIONS CHINESE FIRM OVER WEAPONS SALES", 2004-09-20) reported that the US government ordered sanctions against a PRC firm accused of trafficking material and technical expertise that could be used for weapons of mass destruction, the State Department said. Xinshidai, which markets equipment for many of the top PRC state owned firms "provided material assistance to a country for programs capable of delivering weapons of mass destruction," said an official speaking on condition of anonymity. The official would not name the country which bought the equipment. Under the order the UD will ban imports of Xinshidai goods, contracts with the firm and the giving of any kind of US assistance to the PRC firm, the State Department's bureau of non-proliferation said.

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## 39. Sino - Russian Relations

The Associated Press ("CHINESE SEEK OIL SHIPMENTS FROM YUKOS", 2004-09-20) reported that China National Petroleum Corp. is in talks with Yukos in an effort to convince the Russian oil supplier to renew needed shipments of crude oil, an executive of the PRC's state-run oil giant said Monday. Yukos, Russia's largest crude producer, confirmed Sunday that it is suspending 400,000 metric tons a month, or about 100,000 barrels a day, of rail exports to the company, which is also known as CNPC, due to high shipping costs. That represents about 60 percent of the firm's total PRC shipments.

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## 40. PRC Health

The Associated Press ("CHINA STUDY: CITY DWELLERS IN POOR HEALTH", 2004-09-20) reported that up to 75 percent of all urban Chinese suffer from ill health, and life expectancies are declining for skilled and educated workers as modern lifestyles exact a deadly toll, according to a study by the Chinese Red Cross. The survey of 16 PRC cities with more than 1 million people found that 75 percent of Beijing residents were in poor health, along with 73 percent of those in Shanghai and the southern city of Guangzhou, the state-run newspaper Shanghai Daily reported Monday. The findings illustrate a darker side of the PRC's economic success story: deteriorating public health and a decline in well-being for many PRC citizens, even in the country's richest cities. "Bad working habits,

poor disease prevention, inadequate government funding and lack of health education are the main reasons," it quoted Yang Xiaoduo, a health care expert, as saying.

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