NAPSNet Daily Report Wednesday, September 20, 2006

Recommended Citation

"NAPSNet Daily Report Wednesday, September 20, 2006", NAPSNet Daily Report, September 20, 2006, https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-wednesday-september-20-2006/

NAPSNet Daily Report Wednesday, September 20, 2006

NAPSNet Daily Report Wednesday, September 20, 2006

I. NAPSNet

- 1. International DPRK Talks
  2. PRC on DPRK Sanctions
  3. Inter-Korean Financial Relations
  4. PRC Aid to DPRK
  5. ROK-US Defense Cooperation
  6. ROK-US Weapon Sales
  7. ROK Economy
  8. ROK Travel Advisory to Thailand
  9. ROK-Japan Relations
  10. Japan Party Presidential Election
  11. WTO on Japan-US Trade Dispute
  12. PRC-US Economic Relations
  13. US on PRC Religious Freedom
  14. PRC Loans to Africa
  15. PRC Sport Development

Preceding NAPSNet Report

I. NAPSNet

1. International DPRK Talks

Chosun Ilbo ("S.KOREAN, U.S. NUCLEAR ENVOYS TO MEET OVER N. KOREA", 2006-09-20) reported that nuclear envoys from the ROK and the US will meet on Wednesday in New York for discussions on stalled six-party talks to dismantle the DPRK's nuclear program. The foreign ministry in Seoul says the ROK's Chun Yung-woo and his American counterpart Christopher Hill plan to discuss ways to advance the so-called "common and comprehensive approach" agreed during last Thursday's Washington summit between presidents Roh Moo-hyun and George W. Bush. The ROK's Ambassador to the US Lee Tae-shik has reportedly said that three-way discussions on the DPRK among nuclear negotiators from Seoul, Washington and Tokyo may take place as early as next week.

(return to top) Yonhap ("RUSSIA NOT TO PARTICIPATE IN 10-PARTY TALKS: SOURCES", 2006-0--20) reported that Russia has decided not to participate in expanded DPRK nuclear talks the US has been trying to arrange at the sidelines of the UN General Assembly, diplomatic sources here said Wednesday. US efforts to bring aboard England and France also failed, they said. (return to top)

2. PRC on DPRK Sanctions

The Australian ("BEIJING ATTACKS CURBS ON N KOREA", 2006-09-20) reported that the PRC has begun backing away from the tough stance it took when it joined the UN resolution in July condemning the DPRK's missile launches and nuclear power bid. The PRC slammed Australia and Japan yesterday for the financial sanctions they imposed on the DPRK on Tuesday. Foreign Minister Alexander Downer said the sanctions were consistent with Australia's "strong stand against the proliferation of weapons of mass destruction". The sanctions, co-ordinated between Canberra and Tokyo, target about a dozen DPRK trading companies that Australia and Japan believe are involved in Pyongyang's push for nuclear weapons. Chinese Foreign Ministry spokesman Qin Gang condemned the sanctions as escalating the standoff. "All parties should focus on how to relax the situation," he said.

(return to top)

3. Inter-Korean Financial Relations

JoongAng Ilbo ("LETTERS SHOW UNIFICATION MINISTRY PRESSURED WOORI", 2006-09-20) reported that contrary to its statement on Tuesday, the Unification Ministry pressured Woori Bank to consider allowing the DPRK to open a bank account, government documents obtained by a Grand National Party lawmaker showed yesterday. Representative Kwon Young-se obtained a copy of correspondence that the Unification Ministry sent to Woori Bank on March 28, and provided it to the JoongAng Ilbo. According to the letter, the ministry tried to stretch the laws governing inter-Korean projects to grant the DPRK's wish. The DPRK, in September of last year, asked the bank, which operates a branch in Kaesong Industrial Complex, to open an account under the name of the Kaesong Industrial District Management Committee, headed by a ROK official.

(return to top) Chosun Ilbo ("S.KOREAN DOLLAR PAYMENTS TO KAESONG ILLEGAL", 2006-0--20) reported that the government has illegally remitted dollars to the DPRK that could have helped Pyongyang launder money since the inter-Korean Kaesong Industrial Complex in the DPRK went into

operation 18 months ago. According to Finance and Economy Ministry papers acquired by Grand National Party lawmaker Lee Kei-kyung on Wednesday, the government even revised laws to make dollar transactions to the DPRK from ROK companies operating there possible. (return to top)

4. PRC Aid to DPRK

Yonhap ("CHINA PROVIDES N. KOREA WITH RELIEF GOODS, FIRST SHIPMENT SINCE MISSILE TESTS", 2006-09-20) reported that the PRC has sent relief supplies to flood victims in the DPRK, the DPRK's state media said Wednesday, amid reports that the two neighbors were trying to restore ties that were frayed following Pyongyang's missile tests in July. "The government of China provided the DPRK with aid materials including food and diesel fuel in connection with flood damage," the DPRK's Korean Central News Agency said in a brief dispatch.

(return to top)

5. ROK-US Defense Cooperation

Korea Times ("KOREA, US TO HOLD DEFENSE INDUSTRY MEETING", 2006-09-20) reported that the ROK and the US will hold an annual meeting in Washington D.C., the US, next week to discuss ways of expanding ties in the defense industry, the defense procurement agency said yesterday. The meeting, slated to start on Monday, will deal with the ROK's greater participation in US defense projects and pursuit of joint research and development, the Defense Acquisition Program Agency (DAPA) said in a press release.

(return to top) Korea Times ("GEN. BELL TRAVELS TO US AHEAD OF KEY MEETINGS", 2006-0--20) reported that Gen. B. B. Bell, commander of the United States Forces Korea (USFK), has traveled to Washington ahead of a key meeting of ROK and US defense officials, military officials said yesterday. Bell left for the US on Saturday, two days after President Roh Moo-hyun and US President George W. Bush held summit talks in Washington D.C., they said. (return to top)

6. ROK-US Weapon Sales

Chosun Ilbo ("IS U.S. OSTRACIZING KOREA FROM TOP WEAPON SALE?", 2006-09-20) reported that the Global Hawk unmanned aircraft the US first used in the war in Afghanistan. The US is refusing to sell its long-range high-altitude drone Global Hawk to the ROK but not to other countries, reports have alleged. According to press reports, Washington has authorized sales of the unmanned aerial vehicle to Japan, Australia and Singapore but has opted not to sell it to the ROK. According to some sources this is because it fears theft of cutting-edge technology, while others say the refusal is due to the uncomfortable state of the ROK-US alliance.

(return to top)

7. ROK Economy

Korea Times ("KOREA STAGNATES AFTER OECD ENTRY", 2006-09-20) reported that the ROK economy has become a major player on the global stage since the country joined the elite club of advanced countries in October 1996. However, its ranking in most economy-related fields has either stagnated or fallen behind the other 29 member countries of the Organization for Economic Cooperation and Development (OECD) because of the negative impact of the 1997-1998 currency crisis. The ROK’s gross domestic product (GDP) ranked ninth in 2004. It produced goods and services worth $681 billion, up one notch from 10th place in 1996 with $557.4 billion.

(return to top)

8. ROK Travel Advisory to Thailand

Korea Times ("CITIZENS ADVISED AGAINST TRAVEL TO THAILAND", 2006-09-20) reported that the government asked people yesterday to refrain from traveling to Thailand, where a military coup took place a day earlier. ``We've issued a travel advisory asking South Koreans to stay away from Thailand for the time being,'' an official at the Ministry of Foreign Affairs and Trade said. ``If one has no choice but to go, special precautions should be taken.'' The Thai army seized power in a coup, ousting Prime Minister Thaksin Shinawatra, who was in New York to attend the UN General Assembly. About 800,000 RO Koreans visit Thailand a year, according to government statistics.

(return to top)

9. ROK-Japan Relations

Mainichi Daily News ("SKOREA CALLS ON JAPAN TO MAKE SINCERE EFFORTS TO IMPROVE RELATIONS", 2006-09-20) reported that the ROK called on Japan Wednesday to make sincere efforts to improve the countries' seriously frayed relations after Japan's ruling party elected a new leader who is expected to take office as prime minister next week. "The government hopes the relations with Japan will get out of an abnormal situation like this and develop in a future-oriented way," ROK Vice Foreign Minister Lee Kyu-hyung told a regular news briefing. "For this, Japan should show sincere attitudes and efforts to improved relations between the two countries." "The government hopes that sources of discord between South Korea and Japan will be addressed on the occasion of the launch of a new government in Japan," Lee said.

(return to top)

10. Japan Party Presidential Election

Yomiuri Shimbun ("ABE ELECTED LDP PRESIDENT ", 2006-09-20) reported that Chief Cabinet Secretary Shinzo Abe on Wednesday won the Liberal Democratic Party presidential election by a wide margin, making it certain he will succeed Prime Minister Junichiro Koizumi and become the nation's 90th prime minister. Gaining wide support from LDP members, Abe, who turned 52 today, defeated Foreign Minister Taro Aso and Finance Minister Sadakazu Tanigaki in the race to become the 21st LDP president. Abe will be officially elected prime minister in an extraordinary Diet session to be convened Tuesday.

(return to top) Xinhua ("JAPANESE POLITICAL AND ECONOMIC LEADERS CALL ON ABE TO IMPROVE DIPLOMACY IN ASIA", 2006-09-20) reported that Japanese political and economic leaders on Wednesday called on the newly-elected ruling Liberal Democratic Party President Shinzo Abe to make all efforts to improve Japan's diplomacy in Asia. Komeito party member Takenori Kanzaki urged Abe to commit himself to amending relations with Asian countries. Kakutaro Kitashiro, Deputy Secretary of the Japan Association of Corporation Executives, said he hopes that Abe will take the national feelings of the PRC and the ROK into consideration and think carefully what is in line with Japan's national interests. (return to top) New York Times ("ABE'S RISE TO FORCE NEW LOOK AT POSTWAR JAPAN", 2006-09-20) reported that after securing the Liberal Democratic Party's presidency Wednesday, Shinzo Abe will become Japan's first prime minister born after the end of World War II, with a clear eye toward re-examining the postwar era. Abe said he wanted to revise the US- imposed, pacifist Constitution that formed the basis for Japan's postwar development. He also wants to revise quickly the other legal document of the postwar American occupation, the

Fundamental Law of Education, and stress moral values, patriotism and tradition in schools. "How was Japan's postwar era?" Abe said in his campaign book, "Toward a Beautiful Country," in which he describes himself as a "fighting politician." "By entrusting our national security to another country and putting a priority on economic development, we were indeed able to make great material gains. But what we lost spiritually - that was also great." (return to top)

11. WTO on Japan-US Trade Dispute

Associated Press ("WTO PANEL SIDES WITH U.S. IN TARIFF DISPUTE WITH JAPAN", 2006-09-20) reported that the WTO on Wednesday rejected a series of arguments from Japan that the US applied unfair antidumping duties on its goods. The World Trade Organization panel sided largely with the US in the dispute that focused on Washington's complicated procedure for determining tariff rates on certain carbon steel products and ball bearings. While the Geneva-based trade referee has previously chided the US for its practice of "zeroing" in determining what antidumping fees to apply, it said most of the examples cited by Japan did not violate international trade rules.

(return to top)

12. PRC-US Economic Relations

Reuters ("PAULSON UNCONCERNED HOW CHINA ACHIEVES FLEXIBLE YUAN", 2006-09-20) reported that US Treasury Secretary Henry Paulson said on Wednesday that he was not concerned about what method the PRC used to make the yuan flexible and that it would be easy to recognize when that point had been reached. "We'll know it when we're there," he told a news conference in Beijing, speaking about the yuan. Paulson also said that the PRC would be the biggest winner from the opening of capital markets to foreign investment. The US and the PRC announced they would hold regular high-level talks about their long-term economic relationship, which US officials said would not overshadow more immediate concerns such as the yuan exchange rate.

(return to top) Xinhua ("BUSH WELCOMES CREATION OF CHINA-U.S. STRATEGIC ECONOMIC DIALOGUE", 2006-09-20) reported that US President George W. Bush welcomed on Wednesday the creation of the Strategic Economic Dialogue between the US and the PRC and said the forum will promote bilateral economic relations. "(Chinese) President Hu and I agree on the importance of maintaining strong and mutually beneficial U.S.-China economic relations, and on the need to establish an overarching bilateral economic framework between our two countries. The Strategic Economic Dialogue will help us achieve those objectives," Bush said in a statement. "The economies of the United States and China have been engines of global growth. We must ensure that citizens of both countries benefit equitably from our growing economic relationship and that we work together to address economic challenges and opportunities," the statement said. US Secretary of the Treasury Henry Paulson will chair the US side of the dialogue, with support from Allan Hubbard, director of US National Economic Council, the statement added. (return to top)

13. US on PRC Religious Freedom

Mainichi Daily News ("CHINA DENOUNCES U.S. CRITICISM OF ITS RELIGIOUS POLICIES", 2006-09-20) reported that the PRC has denounced a US State Department report criticizing its religious policies, saying it was not based on fact and interfered with the country's internal affairs. The annual US report on the state of religious freedom worldwide, released Friday, said the PRC's "respect for freedom of religion and freedom of conscience remained poor." Qin Gang, a spokesman for the Chinese Foreign Ministry, said the PRC was "strongly dissatisfied and resolutely opposed" the report. "That's a groundless criticism on China's religion policy and situation of religious freedom,"

Qin was quoted as saying late Monday by the official Xinhua News Agency. "It violated the basic norms guiding international relations and interfered with China's internal affairs."

(return to top)

14. PRC Loans to Africa

Associated Press ("NEW MONEY FLOWING INTO AFRICA FROM CHINA, INDIA SIGNALS SHIFT IN GLOBAL ECONOMY", 2006-09-20) reported that US Treasury Secretary Henry Paulson calls it "irresponsible borrowing." But many of Africa's poor countries say the money they get from the PRC and India is vital in their quest to fight poverty and raise living standards. Many Western governments have forgiven loans to African nations, but fresh funds have been slow in coming. That's prompting many African countries to turn to the PRC, and to a lesser extent India, for money to finance development projects. But Paulson and the World Bank are worried that without careful monitoring, such lending could burden these nations with enormous debts again.

(return to top)

15. PRC Sport Development

Reuters ("CHINA GIVEN $400,000 DEVELOPMENT FUND", 2009-09-20) reported that the PRC's cricket association has been given $400,000 to accelerate cricket's growth in the country, International Cricket Council (ICC) chief executive Malcolm Speed said on Wednesday. Of the sum, $200,000 comes from the Asian Cricket Council and is matched by $200,000 from the ICC. "The grant is recognition of the potential for development of the game of cricket in China," Speed said at a news conference in Beijing.

(return to top)

View this online at: https://nautilus.org/napsnet/napsnet-daily-report/napsnet-daily-report-wednesday-september-20-2006/

Nautilus Institute
608 San Miguel Ave., Berkeley, CA 94707-1535 | Phone: (510) 423-0372 | Email: nautilus@nautilus.org