Korean Peninsula

1. Inter-Korean Relations
The DPRK and ROK started a second round of high level reconciliation talks with the ROK seeking to fix dates for crucial military meetings. While anti-communist demonstrators burned a DPRK flag outside, the two sides closed on an accord to hold new reunions of families separated by the division of Korea before the September 21 fall harvest holiday, sources close to the talks said. They also agreed in principle to reactivate economic talks in late August and to resume Red Cross talks on separated families in September, the sources said.

"Inter-Korean Relations" (NAPSNet Daily Report, August 14, US)
"Inter Korean Relations" (NAPSNet Daily Report, August 13, ROK)
"Inter Korean Ministerial Talks" (NAPSNet Daily Report, August 13, ROK)
"DPRK-ROK Relations" (NAPSNet Daily Report, August 13, US)

2. DPRK Delegates in Seoul
The 29-member DORJ delegate headed by Senior Cabinet Councilor Kim Ryong-song arrived at ROK's Incheon International Airport on Koryo plane via direct air route over the Yellow Sea, 9:55 a.m. on Monday morning. Welcoming the party were Vice Minister of Finance and Economy Yoon Jin-shik and other three representatives from the government. "The people of both Koreas are ardently wishing this latest high-level talks to result into overcoming all the obstacles and realize new era in the process of implementing the June 15 Joint Declaration," Councilor Kim said upon his arrival.

"DPRK Delegates in Seoul" (NAPSNet Daily Report, August 13, ROK)
3. US-DPRK Relations
The US welcomed agreements made by ROK and DPRK in their ministerial talks, but said it still needs to see progress in upcoming negotiations between DPRK and Japan before sending an envoy to Pyongyang. The US State Department said this week's inter-Korean talks "produced movement" in economic and humanitarian issues, but that it was still reviewing the plan to send a high-level delegation to Pyongyang. DPRK Foreign Minister Paek Nam-sun, during his meeting with Secretary of State Colin Powell in Brunei last month, said his government would welcome a US envoy. DPRK plans to hold Red Cross talks and a government-level meeting on normalizing relations with Japan this month.
"US-DPRK Relations" (NAPSNet Daily Report, August 16, ROK)
"DPRK-ROK Relations and ASEAN Regional Forum" (NAPSNet Daily Report, August 16, RF)

4. DPRK Currency Devaluation
The DPRK slashed the official exchange rate for its currency last week as the latest step in a new reform program aimed at reviving the economy, foreign residents say. The official value of the won dropped from 46 US cents to just two-thirds of a cent, the residents reported, speaking on condition of anonymity. That's still overvalued compared to the black market, where a won is worth only a half cent. The devaluation is unprecedented in the DPRK, where the government long argued that the state distribution system meant residents had no need for money.
"DPRK Currency Devaluation" (NAPSNet Daily Report, August 13, US)

5. ROK Liberation Day
Hundreds of ROK and DPRK civic leaders gathered Thursday to celebrate the 57th anniversary of the Korean peninsula's liberation from Japanese colonial rule. Traditional dances and songs filled the second of a four-day joint celebration in Seoul, held a day after the two Koreas agreed to restart talks on national reconciliation, stalled by recent political and military tensions. At a university several miles (kilometers) away, 7,000 ROK students and labor activists marked Liberation Day with calls for reunification and anti-US slogans. In his Liberation Day statement, Kim reconfirmed that he would continue to pursue his "sunshine" policy of engaging the isolated communist nation during the remainder of his term, which ends in February.
"Inter Korean Relations" (NAPSNet Daily Report, August 16, ROK)
"ROK Liberation Day" (NAPSNet Daily Report, August 15, US)

6. ROK-US Relations
The US has asked ROK to provide additional assistance for its war on terrorism, the ROK Defense Ministry said Thursday. ROK sent medical, logistic and other noncombat military contributions to assist the US-led military campaigns in Afghanistan. US Undersecretary of Defense Dov S. Zakheim, the Pentagon's comptroller, requested more financial contributions when he met with Defense Minister Lee Jun and Vice Foreign Minister Kim Hang-kyung in Seoul on Wednesday, Brig. Gen. Hwang Eui-don, a ministry spokesman said.
"ROK-US Relations" (NAPSNet Daily Report, August 16, ROK)
7. ROK Presidential Health
ROK President Kim Dae-Jung, who has pneumonia, will not make a keynote independence day speech, officials said. The 76-year-old president was twice hospitalized this week because of pneumonia but is now resting at his Blue House official residence. Traditionally the president gives a major speech on August 15, the anniversary of Korea's liberation from Japanese rule in 1945. But deputy presidential spokesman Kim Ki-Man said Wednesday the president would not take part in August 15 ceremony. Prime Minister-designate Chang Dae-Whan will take part in the ceremony and read the speech for President Kim."
"ROK Presidential Health" (NAPSNet Daily Report, August 14, US)

8. ROK Soccer Chief Presidential Run
Chung Mong-joon in an interview published in Tuesday's edition of Chosun Ilbo that after his successful showing in the World Cup, the nation's top soccer official indicated Monday that he would run for president in elections later this year. "I am thinking toward running in the presidential elections," said Chung Mong-joon in an interview published in Tuesday's edition of Chosun Ilbo, the nation's largest newspaper. "Some people said that after the World Cup, there would be little time for me to prepare for the elections, but I think I have enough time," he said. Chung said he will decide in early September whether to run in the December 19 elections. Chung, 50, an independent legislator with no political affiliation, has always been considered a possible contender.
"ROK Soccer Chief for President" (NAPSNet Daily Report, August 14, US)
"ROK Soccer Chief Presidential Run" (NAPSNet Daily Report, August 13, US)

9. DPRK International Soccer
The DPRK will participate in more international soccer competitions than before, a soccer official from the DPRK was quoted as saying. "From now on, they will appear more frequently in international soccer matches," Yoo Sung Il, vice president of the DPRK's Football Association, said in an interview with the ROK's Yonhap News Agency. Yoo, in Kuala Lumpur, Malaysia for Wednesday's Asian Football Association annual congress, also expressed hope for more soccer exchanges with the ROK, Yonhap reported.
"DPRK International Soccer“ (NAPSNet Daily Report, August 15, US)

10. DPRK-Japan Ministerial Talks
The DPRK and Japan will hold two-day ministerial talks on establishing diplomatic links in the DPRK from August 25, the DPRK's official news agency said. The DPRK and Japanese foreign ministries will hold "director-level talks" in Pyongyang under an agreement reached at talks in Brunei on July 31, the Korean Central News Agency (KCNA) said Wednesday. "The talks will discuss all the matters related to establishing diplomatic relations between the two countries and outstanding issues of bilateral concern," it said.
"DPRK-Japan Ministerial Talks" (NAPSNet Daily Report, August 14, US)
11. ROK-DPRK on Japanese Militarism
Scholars from the DPRK and ROK warned against Japan's military rearmament as new friction emerged over long-standing territorial disputes. The warning came at a seminar Friday which was part of two days of joint celebrations for the 57th anniversary of the end of Japanese colonial rule. The DPRK sent 116 pro-unification activists for the festival. The joint statement said: "Today, Japan is committing fresh wrongs by distorting historical facts, worshipping executed war criminals, seeking to dispatch its troops abroad and building up its arsenal."
"ROK-DPRK on Japanese Militarism" (NAPSNet Daily Report, August 16, US)

12. DPRK-US Nuclear Agreement
The DPRK threatened Tuesday to withdraw from a 1994 accord with the US under which it would freeze its suspected nuclear weapons program in exchange for two nuclear reactors. To preserve the agreement, the US must compensate for the loss of electricity caused by the delay in building the reactors because the power shortage has "created grave difficulties in (the North's) economy as a whole," said a spokesman at the North's Foreign Ministry. "The reality is pushing us to the phase where we should make a final decision to go our own way," the unnamed spokesman stated.
"DPRK-US Nuclear Agreement" (NAPSNet Daily Report, August 13, US)
"DPRK-US Military Relations" (NAPSNet Daily Report, August 13, US)

13. NK Flag to Be Allowed in Stadiums and Quarters
Supreme Public Prosecutors' Office director Lee Jeong-su said Monday he was studying legal terms to see if the use of the North Korean term "DPRK" and its national anthem and flag are allowed under the current law. SPPO has yet concluded for sure, but when it comes to flying the DPRK flag and playing the anthem, it will reportedly allow both in restricted areas such as stadiums and quarters. However, it is planning to regulate activities using the flag on campuses or other places considering it as an act of violating the law. An official at SPPO said, it is an international practice to fly a participating nation's flag but the DPRK flag violates the current national security law and so conditions should be applied.
"NK Flag to Be Allowed in Stadiums and Quarters" (NAPSNet Daily Report, August 13, ROK)

14. DPRK-Russia Relations
DPRK leader Kim Jong-il will travel to Russia's Far East from August 20 to 26, an ROK government source said Sunday. Konstantin Pulikovsky, the Russian president's plenipotentiary to the Far Eastern region, invited Kim, and he is expected to have a summit meeting with Russian President Vladimir Putin. "Mr. Kim will travel to Russia aboard a train, using the North Korean railways and the Trans-Siberian Railway," the ROK official said. "Mr. Kim will visit Vladivostok, Khabarovsk and the Amur region in Russia. It is highly possible that the Kim-Putin summit will take place between August 22 and 24."
"DPRK-Russia Relations" (NAPSNet Daily Report, August 13, ROK)
15. US Envoy to DPRK
The US will dispatch an envoy to DPRK next month to put the deadlocked dialogue between the two countries back on track. The news agency quoted sources in the Japanese government. The US Department of State would not confirm or deny the report. The US reported two months ago that James Kelly, assistant secretary of state for East Asian and Pacific affairs, would visit Pyongyang in July. But the visit was scrapped after the inter-Korean naval conflict on June 29. Last month, the DPRK said it would accept the visit of the US envoy to resume talks. Talks between US and DPRK officials were last held at Kuala Lumpur, Malaysia, in November 2000.
"US Envoy to DPRK" (NAPSNet Daily Report, August 13, ROK)

16. DPRK's Missile Issue
The US urged DPRK to extend its voluntary moratorium on missile testing beyond 2003. "The North Koreans hopefully realize that it's very much in their interest to maintain that moratorium and maintain it indefinitely," Vann Van Diepen, a mid-level State Department official working on nonproliferation issues, told reporters in Tokyo on Thursday. "If they choose not to, clearly it would be a very destabilizing thing and I don't think the consequences would be in their interest." In May 2001, DPRK leader Kim Jong-il told visitors of DPRK's unilateral decision to place a moratorium on long-range missile launches until 2003.
"DPRK's Missile Issue" (NAPSNet Daily Report, August 13, ROK)

17. DPRK-KEDO Relations
The DPRK construction on two light-water nuclear reactors being built with the help of Japan, the US and ROK began here Wednesday. KEDO member nations called on the DPRK to quickly open its facilities to inspections as well as every item being used to build the plants. KEDO officials stressed the project's success and the future of the so-called Agreed Framework between the United States and the DPRK depend on Pyongyang’s cooperation with the IAEA. Virtually all of the machinery for the facilities will be manufactured in Japan and the ROK and transported to the DPRK from 2005. But under the Agreed Framework, signed in 1994, IAEA officials must be allowed to inspect parts for the plant before they are shipped. KEDO member nations are urging the DPRK to begin the inspections as soon as possible since they likely will take three to four years.
"DPRK-KEDO Relations" (NAPSNet Daily Report, August 13, Japan)

People's Republic of China
1. Taiwan Independence Referendum
A top adviser to Taiwan President Chen Shui-bian said on Monday that the president’s backing of a referendum on formal independence was a show of frustration and not a change of policy. "President Chen was a little frustrated," Nobel laureate Lee Yuan-tseh stated while recalling numerous olive branches extended by Chen since taking power in 2000. "He didn’t mean to change the policy at all." Analysts said Chen was frustrated by China's diplomatic bullying, military build-up and refusal to deal with him. But his gambit to force the PRC into negotiations may have misfired. Nevertheless, Lee believed the two sides would mend fences. "President Chen has goodwill to try to improve the relations," said the co-winner of the Nobel prize in chemistry in 1986 and president of Academia Sinica, Taiwan's top academic institution.

"Taiwan Independence Referendum" (NAPSNet Daily Report, August 16, US)"PRC-Taiwan Confrontation" (NAPSNet Daily Report, August 16, RF)
"Cross-Straits Relations" (NAPSNet Daily Report, August 13, US)

2. Cross-Straits Relations
The PRC attacked Taiwan's Vice President Annette Lu over her current visit to Indonesia, accusing her of trying to "split" the PRC and increase tensions between the PRC and Taiwan. Lu's actions would "increase tension across the Taiwan Straits", Beijing's foreign ministry said in a statement Friday. Vice President Lu responded by accusing the PRC of interfering with her vacation in Indonesia and stressed she had a basic human right to travel. "Taiwan is not part of China and it is totally unreasonable that they (China) blocked me (from entering Jakarta)."

"Cross-Straits Relations" (NAPSNet Daily Report, August 16, US)
"Cross-Straits Relations" (NAPSNet Daily Report, August 15, US)
"Cross-Straits Relations" (NAPSNet Daily Report, August 14, US)

3. PRC on DPRK Asylum Seekers
The PRC will allow two DPRK brothers sheltering inside the Albanian embassy in Beijing to leave the country, but the fate of their mother, who seemingly sacrificed herself for her sons, is unknown, the Albanian ambassador said. PRC authorities told the embassy that the brothers, aged 22 and 26, will be allowed to leave following police checks to see if they have committed any serious crimes while in the PRC, Ambassador Kujtim Xhani stated Friday. "They will be allowed to leave China and they are in the process of having their identity verified by the police," Xhani said.

"PRC on DPRK Asylum Seekers" (NAPSNet Daily Report, August 16, US)
"DPRK Defector In PRC" (NAPSNet Daily Report, August 16, ROK)

4. Taiwan Defense Capacity
Taiwan, embroiled in a spat with the PRC over the island's sovereignty, is confident of repelling any PRC invasion, defense minister Tang Yiau-ming said on Thursday. "They cannot afford to pay the price," Tang told Reuters in an interview. "We have air superiority," he said, apparently referring to the island's US F-16 and French Mirage 2000 fighter jets. Military analysts say Taiwan's forces could give the 2.5 million-strong People's Liberation Army -- the world's biggest fighting machine -- a bloody nose in a conventional fight.

"Taiwan Defense Capacity" (NAPSNet Daily Report, August 15, US)
"Chen on PRC Aggression" (NAPSNet Daily Report, August 14, US)
5. PRC Space Launch
The PRC is hoping to launch its fourth unmanned spacecraft by the end of the year, hurrying its space program ever closer to manned flights and moon missions, state-run media said on Wednesday. "We have intensified development of the Shenzhou IV and its carrier rocket, which we plan to launch sometime in the remaining months of the year," the China Daily quoted Zhang Qingwei, head of the PRC Aerospace Science and Technology Corp, as saying. "PRC Space Launch" (NAPSNet Daily Report, August 14, US)

6. Taiwan UN Bid
Taiwan has quietly launched another bid to join the United Nations, sparking angry opposition from the PRC. A Taiwan Foreign Ministry official said Monday that Taiwan had begun its 10th annual drive to be readmitted to the United Nations. In the past, the government held news conferences to announce the annual UN bid and drum up support, but this year kept it low key due to the latest flare-up in cross-strait tensions. "Twelve of our allies raised the case to the United Nations on our behalf on August 7, but we have yet to make a public announcement," the foreign ministry official said. PRC Foreign Ministry spokesman Kong Quan expressed "strong indignation and resolute opposition" to the proposal and said Taiwan was not qualified for UN membership. "Taiwan UN Bid" (NAPSNet Daily Report, August 13, US)

Japan

1. World War II and Hiroshima Commemoration
Japanese Prime Minister Junichiro Koizumi expressed deep remorse for Asian victims of his nation's aggression during World War II, as Japan commemorated the 57th anniversary of its surrender. Some 6,000 people, including retired soldiers and relatives of war dead as well as Emperor Akihito and Empress Michiko, attended a ceremony at the Budokan Hall on the edge of the Imperial Palace grounds Thursday. A minute of silent prayer was observed at noon as Japan also marked the 50th anniversary of regaining sovereignty after concluding the 1952 San Francisco peace treaty. "Our country caused huge damage and pain to people in many countries, particularly in Asian nations during the war," Koizumi said "Japan World War II Commemoration" (NAPSNet Daily Report, August 15, US) "Hiroshima 57th Anniversary" (NAPSNet Daily Report, August 14, Japan) "Hiroshima 57th Anniversary" (NAPSNet Daily Report, August 13, Japan)

2. Japan-US Relations
Japanese Prime Minister Junichiro Koizumi will attend the first anniversary of the September 11 terror attacks in New York and hold talks with US President George W. Bush. Bush and Koizumi are expected to meet on September 12 to discuss counter-terrorism and issues concerning Iraq, Jiji Press news agency said Wednesday. Before the summit talks, the Japanese premier is scheduled to give a speech at an annual UN general assembly meeting, the report said. A Japanese foreign ministry official declined to confirm the report. "Japan-US Relations" (NAPSNet Daily Report, August 14, US)
3. Japan-US Relations
Richard Lawless, a former US National Security Council official, is expected to become deputy assistant defense secretary for Asian and Pacific affairs, a key post for the planning of security policy toward Japan, US government sources said. Lawless, also a former Central Intelligence Agency operations officer, will replace the outgoing deputy assistant secretary, Peter Brookes, the sources said.
"Japan-US Relations" (NAPSNet Daily Report, August 14, Japan)

4. Japanese Logistical Support for US
A former secretary general of the Liberal Democratic Party (LDP) said that Japan's antiterrorism law does not enable its defense forces to extend help to the US military in the event of a military strike against Iraq. "Unless we make arrangements under a new law, no cooperation can be extended under the existing special measure law against terrorism," Nonaka said. He was also critical of the current support the SDF is providing in the Indian Sea, saying: "Even now (the support we are giving) is unusual. I think this country is headed in a strange direction."
"Japanese Logistical Support for US" (NAPSNet Daily Report, August 14, Japan)

5. Japan Nuclear Agency Scandal
A former president of a waste management firm was arrested on suspicion of bribing a government official to obtain classified information relating to the nuclear power industry, police said. Osamu Ishikura, 52, the former owner of a company based in Tsukuba, Ibaraki Prefecture, turned himself in to authorities two days after the arrest of Toshiyuki Takahashi, a deputy division chief at the Nuclear and Industrial Safety Agency. Takahashi is suspected of receiving 10.5 million yen in bribes between August 1999 and August 2001 from Ishikura and Yoshinori Okamoto, a former board member at a Shizuoka-based computer software firm.
"Japan Nuclear Agency Scandal" (NAPSNet Daily Report, August 14, Japan)

6. Sea of Japan Map Issue
Japan pledged Thursday to fight an international proposal that would cross out the name "Sea of Japan" from the world's sea charts, as a lingering map spat deepened between Japan and its neighbors. Under the new plan, floated by the Monaco-based International Hydrographic Bureau, the body of water separating Japan and the Korean Peninsula would simply have no officially recognized international name. The move is meant as a compromise with the ROK, which uses the name "East Sea" and protests the more recognized moniker "Sea of Japan" as a vestige of Japan's 1910-1945 colonial rule over the Korean peninsula. The DPRK uses "Korean East Sea."
"Sea of Japan Map Issue" (NAPSNet Daily Report, August 15, US)
7. DPRK-Japan Relations
DPRK is ready to engage in serious dialogue with Japan to resolve conflicts and normalize relations, the Rodong Shinmun, DPRK's main state newspaper, said Monday. "The Democratic People's Republic of Korea is ready to settle the past problems with Japan on the matter of compensation and establishing diplomatic ties," the paper said in a commentary. "The talks should be especially attentive to the joint statement released by DPRK Foreign Minister Paek Nam-sun and his Japanese counterpart, Yoriko Kawaguchi, at the sidelines of the ASEAN Regional Forum meeting held in Brunei at the beginning of this month," the paper added. The four-point agreement released at the time says the two sides should jointly make efforts to normalize diplomatic ties as soon as possible, promote dialogue, hold foreign ministry director-level talks by August and cooperate on resolving humanitarian issues at the next Red Cross talks.
"DPRK-Japan Relations" (NAPSNet Daily Report, August 13, ROK)
"Japan-DPRK Relations" (NAPSNet Daily Report, August 13, Japan)

8. US Bases in Okinawa
Kyodo ("OKINAWA WANTS ACTION OVER U.S. MILITARY INCIDENTS," Naha, 08/07/02) reported that the Okinawa Prefectural Government urged US military forces in the prefecture to investigate recent incidents in which a helicopter from the Futenma Air Station landed emergently on the shore about 50 meters from homes in the village of Ginoza, according to local government officials. The local government also requested measures to prevent a recurrence of the kind of incident off Kume Island late last month in which a helicopter from the US Navy's Atsugi base in Kanagawa Prefecture told a local fishing boat to leave the area because it was conducting drills there. The area is not included in training zones set by the US military.
"US Bases in Okinawa" (NAPSNet Daily Report, August 13, Japan)

9. UN Conference on Disarmament in Kyoto
A three-day annual UN conference on disarmament and security issues opened in Kyoto. The meeting brings together government officials, members of nongovernmental organizations and journalists from 12 countries to talk about the impact of last year's terror attacks on security issues. They will also discuss weapons of mass destruction and terrorism in general. The conference is sponsored by the UN Regional Center for Peace and Disarmament in Asia and the Pacific and is taken part in by thirty-seven people.
"UN Conference on Disarmament in Kyoto" (NAPSNet Daily Report, August 13, Japan)

10. Yasukuni Shrine Visit
Prime Minister Junichiro Koizumi will not visit Yasukuni Shrine on August 15, the 57th anniversary of the end of World War II, the top government spokesman said. "Prime Minister Koizumi will not pay homage at the shrine on Aug. 15," Chief Cabinet Secretary Yasuo Fukuda told reporters, noting that the prime minister visited the shrine in April. Meanwhile, trade minister Takeo Hiranuma said he would visit Yasukuni Shrine on August 15.
"Yasukuni Shrine Visit" (NAPSNet Daily Report, August 13, Japan)
"Japan-PRC Relations over Yasukuni Issue" (NAPSNet Daily Report, August 13, Japan)
"Yasukuni Issue" (NAPSNet Daily Report, August 13, Japan)
11. Secret Pact on Okinawa Reversion
Copies of official documents that confirm a secret pact between Japan and the US concerning the 1972 reversion of Okinawa to Japanese rule have been placed on the Web site of Diet member Kinya Narazaki of the Democratic Party of Japan. Under the secret pact, Japan assumed the US$4 million cost the US was supposed to pay to restore Okinawa land to its original state, the lawmaker said. The Japanese government has flatly denied the existence of the pact over the last 30 years, ever since the reversion of Okinawa.
"Secret Pact on Okinawa Reversion" (NAPSNet Daily Report, August 16, Japan)

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Russian Federation

1. RF Arms Sales to PRC
The PRC Embassy in Moscow held a huge reception to commemorate the 75th anniversary of the People's Liberation Army of China (PLAC). The main "gifts" are several big contracts. In addition to the submarines PRC already has RF will sell it eight diesel-electric project 636 "Kilo" submarines equipped with "Club" missile systems. "Club" incorporates precision anti-ship (3M-54E), 3M-54E1) and anti-sub (91RE1) missiles with no analogues elsewhere in the world.
"RF Arms Sales to PRC" (NAPSNet Daily Report, August 16, RF)

2. RF Security Council Delegation in PRC
RF Security Council delegation headed by its head Vladimir Rushailo, former Interior Affairs Minister, and including RF Presidential Advisor on Strategic Stability Marshal Igor Sergeyev, former Defense Minister visited the PRC. The visit coincides with an anniversary of RF-PRC friendship treaty and one of its task is to prepare for RF President Vladimir Putin's visit to PRC this fall. Discussions on international issues are planned.
"RF Security Council Delegation in PRC" (NAPSNet Daily Report, August 16, RF)

3. RF Demographic Situation and PRC
The RF population as of January 1, 2002 was 144.8 million. It decreased by 3.5 million since 1992. Since 1999 the decrease accelerated, becoming 0.5% annually, as opposed to 0.2-0.35 in 1995-1998. If nothing changes, in 2010 it will be 130 million, and in 2050 - just 70 millions. As of life expectancy, RF is the last in Europe, and 143rd in the world. An UNDP report indicated that in 1993-2001 alcoholism in RF grew 2.2, toxicomania - 3, drug addiction - 20 and syphilis - 65 times in RF. Experts are concerned, that in the Far east the population is only 20 millions and still decreasing due to bad birth-death ratio and departures, while in PRC close to RF border 300 million people live.
"RF Demographic Situation and PRC" (NAPSNet Daily Report, August 16, RF)
4. RF-PRC Espionage Case
Prosecutors have completed an additional investigation into the case of a Russian physicist jailed on charges of spying for the PRC, preparing the way for his second trial which could begin next month, his lawyer said Tuesday. Valentin Danilov has been in jail in the Siberian city of Krasnoyarsk since February 2001 on charges of selling state secrets to a PRC company and of misappropriating money. Danilov maintains his innocence, saying the information he provided was no longer classified and had been published in scientific journals. Danilov's trial was adjourned earlier this year when the court sent the case back to prosecutors for further investigation.
"RF-PRC Espionage Case" (NAPSNet Daily Report, August 13, US)

5. Russia-ROK Weapons Sales
Russia has offered to sell the ROK US$550 million worth of military hardware, with half of the cost covered by debts it owes the ROK. The ROK agreed to provide Moscow with US$3 billion in long-term, low-interest loans. The ROK extended US$1.47 billion in loans until the mid-1990s, when it stopped further installments after Russia failed to pay back the interest. The outstanding debt has now swelled to drls 1.95 billion.
"Russia-ROK Weapons Sales" (NAPSNet Daily Report, August 13, US)

Nuclear Issues

1. Related News and Analysis
T.S. Subramanian's essay in Frontline (India) examines India's nuclear power generation programs. John Cherian's essay (Frontline, India) suggests that Russia may be resisting US pressure on the issue of helping Iran construct its first nuclear reactor.
"Related News and Analysis" (SANDNet Weekly Update, V.3 #27)

Afghanistan

1. Current Situation
At least eleven coalition troops are feared dead in a missile attack in the Gardez area of Paktia province. Balochistan Post (Pakistan) reports that armed gunmen looted a UN office in Ghazni. Twenty-six people were killed in an explosion at a warehouse in eastern Afghanistan. According to Frontier Post (Pakistan) the explosion might have been set off by either the Taliban or al-Qaeda operatives.
"Current Situation" (SANDNet Weekly Update, V.3 #27)

India-Pakistan Tensions
1. News
In his Independence Day speech, President Pervez Musharraf dismissed India's Kashmir election plan as a farce. In reaction, India's Prime Minister Atal Behari Vajpayee has stated that Pakistan "has resorted to cross-border terrorism to grab Kashmir." An Indian Foreign Office spokesperson called Musharraf's remarks as validating India's concerns that "Pakistan intends to sabotage these elections."
"News" (SANDNet Weekly Update, V.3 #27)

2. Analysis
In his article for the daily Hindustan Times, J.N. Dixit calls on India to "monitor Pakistan's relations particularly with Bangladesh and Sri Lanka in the coming months, to see that these equations do not militate against [India's] interests in these countries and relations with China."
"Analysis" (SANDNet Weekly Update, V.3 #27)

3. Kashmir Situation
The All-Party Hurriyat Conference (APHC), an umbrella organization of Kashmiri nationalist parties, has indicated its openness to hold talks with the Kashmir Committee, headed by the former Union Law Minister Ram Jethmalani. APHC has also reiterated that it will not participate in the upcoming state elections. A daily Indian Express editorial applauds APHC's decision to talk with the Indian government's Kashmir Committee while warning that violence can derail the process. Muzamil Jaleel (Indian Express) reports that APHC's boycott of the elections has made the victory of the ruling National Conference a foregone conclusion. Meanwhile, there have been reports of more violence in Jammu and Kashmir (J&K).
"Internal Situation" (SANDNet Weekly Update, V.3 #27)

4. India and Pakistan
Muzamil Jaleel report in the daily Indian Express notes that President Musharraf's statements on Kashmir were "a clear signal to the Hurriyat ...to further harden its stand on Assembly elections."
"India and Pakistan" (SANDNet Weekly Update, V.3 #27)
1. Pakistan: Domestic Situation
The government of Pakistan suspects that Lashkar-i-Jhangvi - a violently sectarian and outlawed militant network - was responsible for the two recent attacks on Christians. The Punjab police has claimed that they have arrested 12 terrorists allegedly involved in the attack. The Daily Times (Pakistan) reports that intelligence sources in Pakistan have identified a new militant group Lashkar-e-Omar with suspected links to Al Qaeda network. The daily News (Pakistan) reports the Pakistan's Interior Ministry has warned the provincial governments that banned extremist groups in Pakistan "may create religious frenzy against the government (of Musharraf) to convert the election campaign into fight of Islamic forces against alleged anti-Sharia/pro-US government." Meanwhile, the US authorities have shut down the American Center in Islamabad because of security concerns.
"Pakistan: Domestic Situation" (SANDNet Weekly Update, V.3 #27)

2. US - Pakistan Relations
According to a daily News report, US has made the release of $700 million in aid to Pakistan conditional to its use in non-defense sectors. In his column for the daily News, I. Hassan writes that "never has there ever been such blatant imperial ruler as now under the Emperor Bush."
"US - Pakistan Relations" (SANDNet Weekly Update, V.3 #27)

3. India: Domestic Situation
The three-member Election Commission (EC) - stating that "the wounds of the communal divide following the riots have not yet healed" - has ruled out holding early elections in Gujarat. During its visit to the state, the EC met with the victims of anti-Muslim riots. The ruling Bharatiya Janata Party (BJP) has been putting pressure on the EC to agree to early elections in the state. A daily Hindu editorial criticizes the BJP for "trying rather desperately all kinds of pressure tactics to make the panel settle for an early election." Dionne Bunsha's essay (Frontline, India) examines growing factionalism within the BJP in Gujarat. A report in the daily Indian Express details the stage-management of President Kalam's recent visit to riot effected parts of Ahmedabad.
"India: Domestic Situation" (SANDNet Weekly Update, V.3 #27)

4. US-India Relations
In his article for the daily Hindu, Achin Vanaik argues that "for all the posturing by India and Pakistan, it is the U.S. that will most successfully manipulate the other two in the triangle that joins all of them."
"US-India Relations" (SANDNet Weekly Update, V.3 #27)

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