

Hong Kong resents Beijing envoy's warning

10/20
BEIJING, JUNE 2. The Hong Kong Government was involved on Thursday in its first public row with mainland China since the handover from Britain after a Beijing envoy warned Hong Kong businessmen against doing business with pro-independence Taiwanese companies.

The territory's senior leaders, who have previously stayed largely silent when Beijing attacked Hong Kong's rule of law and press freedom, leapt to defend its commercial freedom. The row erupted after Mr. He Zhiming, a Taiwan specialist in the Central People's Government Liaison Office in Hong Kong, threatened the powerful Hong Kong Chinese Chamber of Commerce. He told members to shun Taiwanese businessmen who challenged the Communist orthodoxy that Taiwan is a mere province of the mainland, which must return to Beijing rule.

Ms. Anson Chan, Hong Kong's Chief Secretary, said the remarks

had raised widespread concern. "In our view, business decisions are best left to businessmen and should not invite the interference of any official of whatever status," she said. Mr. Tung Chee-hwa, Hong Kong's Chief Executive, also raised the matter with Mr. He's superiors and received an assurance that the office would not interfere with Hong Kong's commercial activities.

Mr. He, vice-director of the liaison office's Taiwan Affairs Department, told the Chamber of Commerce that some Taiwan business leaders had openly supported Taiwan's independence, while trying to make money on the mainland. "That is not permitted. I believe all of you, listening to these remarks, will know how to choose when seeking Taiwan trading partners." Those who ignored his advice would suffer the consequences. Beijing is expected to act rapidly to damp down the row with Hong Kong's hand-picked leadership. Beijing

25/6
leaders have been pressuring Taiwanese businesses to express loyalty to the cause of reunification since March, when the island elected a new President, Mr. Chen Shui-bian, whose party was historically identified with the cause of Taiwan independence.

Some of Taiwan's largest firms, such as the computer giant Acer, have since issued statements vowing loyalty to the cause of "one China. Taiwanese firms are the largest foreign investors in the mainland, pouring billions into China despite political tensions.

There is also considerable sympathy for Taiwan among Hong Kong Chinese, many of whom have friends, business partners and even relations on the island. In the years of British rule, Taiwanese flags would fly across Hong Kong on October 10, the national day of the Chinese regime which has been exiled on Taiwan since losing a civil war to Mao Tsetung in 1949. — ©Telegraph Group Limited, London, 2000.

THE HINDU

• 3 JUN 2000

Complex issues underlie crucial summit between Koreans

By Harvey Stockwin

The Times of India News Service

HONG KONG: "In space, the journey will cover just over 100 miles, but in time it straddles over 55 years."

The hopes and the anxieties, the joy and the pain, the fears and the doubts which have been aroused by what could be the most important event in Asia of 2000 were recently well expressed by Korean journalist Lee Chang-sup. "On July 20, 1969, American astronaut Neil Armstrong became the first man to walk on the moon and made his famous statement: "That's one small step for a man and a giant leap for mankind."

For one brief and shining moment, the world paused in wonder and typewriters across the U.S. halted as millions watched the drama unfold on the lunar dust of the Sea of Tranquillity.

It may be a wild imagination to liken Armstrong to President Kim Dae Jung, who will land at Sunan Airport in Pyongyang for an historic summit with North Korean leader Kim Jong Il on June 12. Although the world may not pause in wonder, computers in offices across Korea will become idle as millions watch the historic moment. Indeed, President Kim's trip to Pyongyang is a giant leap forward for the 70 million Koreans who have been separated by the Demilitarised Zone (DMZ) for 55 years.

In fact, the two Koreas have been separated by the DMZ only for 47 years, since the signing of the Korean Armistice in 1953. Before the Korean War started in 1950, they were separated by the 38th parallel, which was the artificial border imposed upon the age-old Korean unity by the Soviet Union and the U.S. in 1945.

It helps to explain the many tricky and complex problems fac-

ing this unprecedented summit if we merely look at the initial problem which confronts Mr Kim Dae Jung as he arrives in Pyongyang.

In every major city of the world there is some monument or shrine to which visiting statesmen pay their respects. In Pyongyang, there is the huge and imposing statue of the great leader, Eternal President Kim Il Sung, who is still technically North Korea's head of state, even though he died in 1994.

Arrive at Pyongyang airport and if you can be in any way classified as a VIP, a North Korean will slip a bouquet of flowers into your hand and ask you, ever so nicely, of course, to place them by the Eternal President's statue. One member of the European Parliament recently described what happened. "They told me I didn't have to do it, but their look was imploring and determined. Before I had a chance to reply, I found myself on top of the hill of Mansu, behind rows of people walking to the rhythm of martial music. I saw the people in front of me bowing to the statue. But that was asking too much."

It would be asking for too much of Mr Kim Dae Jung to expect him to go straight from the airport to place his wreath before Kim Il Sung. Firstly, such a gesture would symbolise what North Korea has always insisted — that it is the only legitimate Korean state and that Kim Il Sung is Korea's one true nationalist leader. The North regards the South as an inferior, a puppet of the U.S.

Mr Kim may want to pay full respect to his hosts, but he cannot afford to exude this image. On the contrary, he should send across the image of two separate Korean states coming together in a spirit of unity with hope for eventual reunification, but recognising each other as entities in their own right. For

North Korea to insist on a homage at the Kim statue would suggest that it clings to a vision of its own supremacy.

Secondly, what Mr Kim can do is affected by timing. His epoch-making visit comes a little less than two weeks before the 50th anniversary of the day when Kim Il Sung, encouraged by Soviet leader Stalin, had ordered the Korean People's Army to conquer the South.

This problem surfaced when a summit was arranged between Kim Il Sung and then South Korean President Kim Young Sam in 1994. Kim Il Sung died before the summit took place. Remembering the war, Kim Young Sam declined to send Southern condolences. The North used this failure as an excuse to cancel the summit. Now, Kim Dae Jung is trying to overcome those bitter wartime memories by going to Pyongyang.

The South Koreans would have preferred a neutral site — either Beijing or Vladivostok — for this first summit. Even the truce village at Panmunjom in the DMZ would have been fine with Seoul. But the North Koreans insisted on Pyongyang and Mr Kim gave way. But for him to also pay respects to the man whom the South sees as the person who started the Korean civil war would still be a step too far.

The complications and the problems are endless. It is not a simple matter of Koreans getting together and their shared sentiments overcoming the long estrangement, although there are many who naively hope it is so. It is a highly complex issue of how does one secure a rapprochement and a meaningful degree of harmony between a secretive, isolated, economically deprived and totalitarian society and an open, globally-integrated, wealthy and increasingly democratic country.

THE TIMES OF INDIA

JUN 20 1994

North Korea set to receive Putin

OLIVER AUGUST
THE TIMES, LONDON

BEIJING, June 10. — North Korea's reclusive leader is to welcome his first superpower guest next month when President Putin travels to the 'hermit kingdom'. On the eve of the historic summit between Korean leaders, Kim Jong-Il is suddenly throwing open doors that have been locked for five decades.

Mr Putin can expect to be entertained royally while millions of North Koreans are starving. Mr Kim, 58, is famous for spending his country's scarce foreign currency reserves on wine, women and Western films. Until he made a short trip to Beijing last week, the North Korean leader had not visited a foreign country in 17 years.

The meeting with Mr Putin could help open up the last truly closed society, in which up to a million people have

died of starvation away from the world's gaze. North Korea's borders are sealed, guards collect all mobile phones at checkpoints and access to Internet is prohibited.

Having consolidated his position after taking over from his late father, Kim Il-Song, in 1994,

Mr Kim seems confident to invite foreign statesmen. President Kim Dae-Jung of South Korea will arrive on Monday and Mr Putin will follow on July 19 during a trip to China and Japan.

The recent rush of diplomatic activity hints at a mysterious transfor-

mation of Mr Kim. On his Beijing trip, he hugged and kissed the entire Politburo. Later he gushed about computers and praised China's reforms. The playboy leader who has always been keener on the 'party' part of the Communist Party, told his bemused hosts: "I have quit smoking and I drink only a little wine."

JOINT SEARCH

KUALA LUMPUR, June 10. — USA and North Korea have agreed to jointly search for the remains of thousands of US soldiers missing in action in the Korean War, the US defence department said today. Both sides will conduct five operations, each of which will last around 25 days, in Unsan and Kujang counties. — Reuters

THE STATESMAN

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Koreans wait for a new day to dawn

By Harvey Stockwin
The Times of India News Service

HONG KONG: Barring another unexpected last-minute hitch, South Korean President Kim Dae Jung will set out on Tuesday on a pioneering journey to Pyongyang, the North Korean capital, in the hope of at least starting the process whereby the bitter division of the Korean peninsula will begin to fade away.

President Kim will carry with him the deep yearnings of 40 million Koreans in the South for a new day to dawn. Were they free to express their views, almost certainly the 20 million Koreans in the North would feel the same way. But they are not. The one major uncertainty facing this summit is whether chairman of the Korean Workers Party Kim Jong IL is willing to consider going beyond tactical adjustments between the two Koreas to seek a strategic rapprochement.

Throughout the South on Tuesday morning Koreans will be glued to their television sets, watching President Kim's arrival in Pyongyang. It is easy to calculate what should happen although very difficult to expect that it will happen. Given all the complications in North-South relations, the two leaders should take a leaf out of the Sino-American book.

In the wake of the bitterness aroused by the U.S. and China after they fought each other in Korea from 1950 to 1953, when then Secretary of State John Foster Dulles met Chinese Prime Minister Chou En Lai in Geneva at the Indo-China conference of 1955, he ostentatiously refused to shake hands.

So when President Nixon arrived in Shanghai in 1972 to break the fridity in Sino-American ties, he descended from his plane with his hand outstretched to the waiting outstretched hand of Chou En Lai. If President Kim descends from his

plane in Pyongyang with his hand outstretched to the waiting hand of Chairman Kim Jong IL, the millions of Koreans watching will sigh with joy and relief. Rapprochement will have finally begun.

An ultimate end to the Korean civil war will be in sight. But there will still be a long way to go. It will come as an enormous surprise if Kim Jong IL does not, at some point in the two-day summit, reiterate North Korea's longstanding insistence that U.S. forces be withdrawn from South Korea. Conceivably, Kim may have been reminded to do so by the Chinese communist leaders during his recent visit to Beijing.

If Kim Dae Jung says a firm "no" to this suggestion, as he must, then he risks being branded again as a U.S. puppet in North Korean propaganda. It would be a surprise, too, if Kim Jong IL fails to mention that South Korea must abrogate its National Security Law, so that communists are free to advocate the Northern ideology of Juche in the South. Kim Dae Jung's obvious riposte should be that this will be done, as soon as there are completely free elections in North Korea.

The possibility that these hoary old issues will be raised is suggested by the fact that they have been resurrected prior to the summit in the strictly controlled North Korean press, which has failed to give any clear signals that a new day is dawning in North Korean political thinking.

Yet undoubtedly North Korea is interested in South Korean assistance in improving its highways, its harbours, railroads, electricity supplies, communications and agricul-

ture. It was only after Kim Dae Jung spelled out all these possible forms of aid in a speech in the capital of unified Germany, Berlin, earlier this year that the North suddenly agreed to this summit. With bitter irony, the one issue on which the South Koreans eagerly seek progress is the one issue on which it may be very difficult for the North

Koreans to budge. It is the vexed question of reunifying separated families.

There are no less than 1.23 million Koreans in the South who fled from the North during the Korean War, leaving families and relatives behind. Many are getting old. They anxiously want to see their kith and kin. In opinion polls this is the issue above all others on which South Koreans will judge the summit. Being a democratic government, this is the issue on which Kim Dae Jung's administration must seek a Northern response.

But this issue also presents critical problems of survival for the North. North Korea is a hermetically sealed isolated nation which sustains the Kim Dynasty in all its self-awarded glory. Could the dynasty

or the regime possibly survive if the doors were to be opened to all those long lost relatives, who could then tell Northerners all about the real world?

North Korea has gone to incredible lengths to isolate those few South Korean tourists now allowed to visit the North. But any solution of this problem requires that North Korea's isolation must begin to end. So the price tag for South Korean assistance — a greater degree of openness than North Korea has ever allowed before — may carry too big a risk, in terms of possible lack of control, for Kim Jong IL to contemplate paying it. Yet Kim Dae Jung must insist on charging it. Neither his domestic South Korean nor his foreign (particularly American) audiences will tolerate his "sunshine policy" towards North Korea if it merely becomes endless appeasement, with North Korean always pocketing the concessions, and then asking for more.

Kim Dae Jung has to insist to Kim Jong IL that it takes two to tango. At this unprecedented summit, upon which so many human hopes ride, and which could be critically important for the future of East Asia, Kim Dae Jung is going to find out whether or not Kim Jong IL is willing to dance.



Kim Dae Jung



Kim Jong IL

THE TIMES OF INDIA

13 JUN 2000

THE first summit between the two Koreas in five decades has raised hopes that détente on the Korean peninsula will set in motion a general disarmament process which will, in turn, lead to enhanced peace and security in North Asia. There are grounds for such optimism.

The Korean peninsula was the arena for a fierce war between China and the USA in the early 1950s. As the contact point between rival camps led by the USA and the former Soviet Union, it became the world's most fortified place after World War II, and it remains so even though the Soviet empire is no more.

Any détente, therefore, would cut the ground for the USA to continue stationing troops in the region and to develop the Theatre Missile Defence system. It would also weaken Japan's desire to rebuild its military forces. A general easing of tension would ensue, although it would be more in the psychological rather than real sense.

Unfortunately, the strategic location of the peninsula itself makes it difficult, if not impossible, for lasting peace to come by. Jutting from the Chinese mainland like an arrow pointed at Japan and with Russia slicing into its northern border, Korea had been a target of major powers for the past 150 years. In the 19th century, being stuck between a crumbling ancient Chinese empire and a rising new Japan led to its annexation by the latter. In the 20th century, it was the contact zone for the rival ideologies of two camps. For this reason, Korea was divided arbitrarily along the 38th Parallel, which became, literally, the world's most fortified border.

At the beginning of the new millennium, the Koreans have decided to take matters into their own hands. Instead of accepting whatever is prescribed for them by the four major players in the region — the USA, Russia, China and Japan — the two Koreas are seeking their own rapprochement. Their reasons for doing so are different.

Stripped of superpower patronage by the former Soviet Union, North Korea stands exposed to global trends that do not favour rigid and narrow economies. On the other hand, growing affluence in the South has created a strong desire to reunify with the North, and to send their guests — about 37,000 American soldiers — home. The strong US troop presence is a daily reminder to the South Koreans that their fate is not entirely theirs to decide — a special irritant to a people scarred deeply by Japanese colonisation.

Without this spontaneous effort by the Koreans themselves to achieve national reconciliation, any peace arrangement imposed on them will not last long, as evidenced by past experiences. So there are some grounds for cautious optimism this time round that a more durable peace might result from the summit. Yet the impact of inter-Korean détente on security in North Asia should not be overstated. Without a change in the American mindset, lasting peace will not be forthcoming.

During the Cold War, rivalry between the two Koreas mirrored that between



South Korea's President Kim Dae-jung (left) and North Korean leader Kim Jong Il, which are displayed to celebrate their first-ever summit meeting, in Pusan, south of Seoul. The two leaders will meet in the North Korean capital of Pyongyang. — AP/PTI.

new excuses to keep its troops in the region. The Pentagon paper confirms this.

According to Mr Ricks, the attention on a possible military competition with China is also reflected in two long-running, military-diplomatic efforts. The first is a drive to renegotiate the US military presence in North-east Asia. This is aimed at ensuring that American forces will still be welcome in South Korea and Japan after the North Korean threat disappears. The second is the negotiation of the US military's re-entry in South-east Asia, 25 years after the end of the Vietnam War and almost 10 years after the USA withdrew from its bases in the Philippines. These developments will certainly not promote durable peace in the region, even with détente in the peninsula.

Quite the contrary, they could just spur another arms race in East Asia. Quoting former national security adviser Zbigniew Brzezinski, Mr Ricks noted that the effect of a build-up against China "would be felt immediately by the Chinese and would presumably precipitate a build-up". That, in turn, "could provoke India to beef up its own nuclear forces, a move that would threaten Pakistan". A Chinese build-up also could make Japan feel that it needed to build up its own military, he added.

In drawing up its "Joint Vision 2020", the Pentagon disregarded findings showing that China was not that strong a force. An assessment by the US National Defence University surmises that China's military in 1998 was "probably two decades away from challenging or holding its own against a modern military force". Paul Goodwin of the National War College puts "the window for China becoming one of the world's major military powers at somewhere between 2020 and 2050".

Surveying the prospect worldwide, Russell Travers, an analyst at the Defence Intelligence Agency, concluded that "no military or technical peer competitor to the US is on the horizon for at least a couple of decades".

So why this obsession with threats? Carl Conetta and Charles Knight, co-directors of the Project on Defence Alternatives at the Commonwealth Institute in Cambridge, Massachusetts, concluded that there was a mechanism within the Pentagon that "invents threats". They noted in a paper that it was a remarkable admission for a chairman of the Joint Chiefs of Staff to say: "I'm running out of demons. I'm down to Kim Il Sung and Castro."

They concluded that unless the threat-invention mechanism was dismantled, détente on the Korean peninsula alone would not bring lasting peace to the North Asian region.

(The writer is the East Asia correspondent of The Straits Times.)

An arms race in Asia?

A Pentagon paper shows that even with peace in the Korean peninsula, the USA will find new excuses to keep its troops in the region. CHING CHEONG reports

the USA and the Soviet Union, and provided the Americans with a strong excuse to station its troops in the Far East. In the post-Cold War era, the threat from Russia receded but the USA found a new source of threat, the so-called "rogue states", which renewed support for a strong American military presence in the region. North Korea was on this blacklist.

With Pyongyang now apparently ready to start talking about coming to terms with Seoul, as well as indicating a strong desire to rejoin the world community, one would think that, perhaps, the USA no longer has a strong excuse for its huge forward deployment. Unfortunately, this is not the case. Washington has just completed an assessment of its defence needs in the next two decades and the conclusion is that a military build-up is needed to counter "peer competitors".

This is contained in "Joint Vision 2020", a Pentagon policy paper that was published on 31 May. Even without men-

tioning any country by name, it is obvious that the report is referring to China.

"China is the new Beltway buzzword," observed Dov S Zakheim, a former Pentagon official who is an adviser on defence policy to Republican presidential candidate George W Bush.

To defeat such an enemy, the policy paper called for building up a military might that would ensure the USA "full-spectrum dominance", which includes conflicts involving the employment of strategic forces and weapons of mass destruction, major theatre wars, regional conflicts, and smaller-scale contingencies.

Thomas Ricks of the *Washington Post* disclosed that when William Cohen became defence secretary in 1997, the first question he asked Pentagon officials was: "How can we change the assumption that US troops will be withdrawn after peace comes to the Korean peninsula?" This showed that even with peace in the Korean peninsula, the USA will find

Korean foes begin peace talks today

AGENCE FRANCE-PRESSE

B. Kim 57-11 18/6

SEOUL, June 12. — After a last-minute delay, President Kim Dae-Jung of South Korea will go to Pyongyang tomorrow in an attempt to lay the foundations for a permanent peace with the Stalinist North.

His meeting with the North's Kim Jong-Il will be the first between the leaders of the Cold War enemies since the Korean peninsula was divided in 1945. Secretive North Korea asked for a 24-hour delay in the start of Kim Dae-Jung's three-day visit on Saturday night.

But the South Korean government said today there had been no new surprises. There were more frantic meetings at the presidential Blue House to prepare Kim Dae-Jung's historic visit that will have worldwide repercussions.

The President will fly to Pyongyang with a delegation of about 180 people, including 50 journalists.

The two Kims will hold private meetings tomorrow and on Wednesday, when there will also be a general meeting with ministers and officials. Under the new schedule, Kim Dae-Jung will return on Thursday through the truce village of Panmunjom in the de-militarised zone.

The summit stakes are high, however. The West is worried about the North's suspected nuclear arms programme. The United States has welcomed the holding of the summit but remains wary. Washington, in particular, wants to make sure the Koreans make no move to end the presence of its 37,000 troops in the South.

THE STATESMAN

1986 JUN 12 10 00

KOREAN SUMMIT / MORE AID LIKELY FOR PYONGYANG

Mountain of tasks before us, says visiting Kim

PYONGYANG, JUNE 13. The South Korean President, Mr. Kim Dae-jung, said today he hoped his unprecedented visit to North Korea would banish the long shadow of war from the divided Korean peninsula and pave the way for eventual reunification.

In a banquet speech at the end of the first of three days of talks, Mr. Kim also expressed the hope that the summit would ease the reunion of more than one million families divided by the border that has split Korea for half a century.

"It is my desire that, through this visit, 70 million Koreans will be able to be liberated from the fear of a possible war," the official English translation of Mr. Kim's prepared remarks said.

Family reunions were becoming increasingly urgent with the passage of time, he said.

"Many of the family members are passing away due to their advanced age...we have to attend to their life-long wishes." Mr. Kim admitted there was a mountain of tasks facing the two Koreas, and they had to be tackled practically, one at a time, taking the easier issues first.

"We have to explore the areas that will benefit both sides." Mr. Kim suggested, for example, reopening blocked road and rail connections and opening new sea lanes and air routes between the capitalist South and the secretive communist North.

"When that happens, all Koreans will be able to travel freely between the two sides and work toward reconciliation, cooperation and eventual reunification."

By working together, the two neighbours — technically at war since an armed truce ended the Korean war in 1953 — had a chance not only to contribute to peace and stability in northeast Asia but also to send a message that

would echo around the world.

"History has awarded glory to those nations that choose reconciliation and cooperation rather than distrust and confrontation," the South Korean leader said.

Earlier, Mr. Kim arrived in Pyongyang today at 10:25 a.m. (0125 GMT) after a 67-minute flight from Seoul that took a circuitous route over the sea instead of crossing directly over the heavily fortified border.

Mr. Kim was met by the North Korean leader, Mr. Kim Jong-IL, at the airport as crowds of cheering North Koreans waving red and pink flowers lined a red carpet leading to the South Korean leader's plane. The meeting, over the three days, is the first between the two countries that were separated in 1948.

Mr. Kim is accompanied by 130 businessmen and officials as well as by 50 South Korean journalists, whose material is incorporated in this story. Foreign reporters were excluded from the trip.

Mr. Kim is to have at least two meetings with his paunchy North Korean namesake, a shadowy figure lionised as a saviour and polymath by his countrymen but demonised abroad as a hard-drinking playboy and mastermind of terrorism.

But he played down popular expectations of a breakthrough from the summit, which was delayed by 24 hours after Pyongyang asked for more time to complete technical preparations.

"I don't believe that we can resolve all problems at one meeting," Mr. Kim said. "It must become an avenue for ongoing and continuous dialogue between the South and North." The best that can be hoped for in the short term, according to independent analysts, is an agreement on the delivery of increased South Korean aid in return for more family reunions.

— Reuters

111 HINDU

14 JUN 2000

Korean foes in warm embrace

JAKARTA POST
ASIA NEWS NETWORK

PYONGYANG, June 13. -- The landmark Korean summit began today after problems with Pyongyang's technical preparation caused a one-day delay.

All eyes are on Pyongyang where the three-day summit is being held, because any peace deal achieved in the meeting will obviously help reduce tensions in the Korean peninsula.

"We are the chosen people. The day of 13 June will go down in history as a landmark," President Kim Jong-il of North Korea told his counterpart, Mr Kim Dae-Jung, AFP reported. They vowed to make the summit a success.

Mr Kim Dae-Jung, the first South Korean leader to visit the North, has pledged to make every effort to make sure that families separated during the 1950-1953 war could be reunited.

While Mr Kim Jong-il must relax North's Stalinist closed-door policy, the South too would have to take definitive steps to convince Pyongyang of its sincere wish for peaceful reunification.

THE STATE

19 JUN 2000

Koreas sign reconciliation pact

Pyongyang, June 14

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NORTH AND South Korea today signed an accord to reduce cold war tensions and bring together families divided for the past five decades, officials said.

The accord was struck on the second day of the historic summit meetings between President Kim Dae-Jung of South Korea and the North's supreme leader Kim Jong-Il. The agreement covers four broad areas: North-South reconciliation, co-operation and moves toward re-unification, tension reduction, families separated since the 1950-53 Korean war and exchanges and co-operation in various fields.

Presidential spokesman Park Joon-Young said, "The two leaders signed the accord, which was drafted by south and North Korean delegates, after studying it."

The leaders held four hours of talks and attended a state banquet at which they were given a standing ovation before signing the accord; pooled television images showed.

Kim Dae-Jung hailed the success of the summit in a speech to the banquet.

"The sun is rising at last for national reunification, reconciliation and peace," he declared.

"The talks were successful," he added. "I express my thanks to chairman Kim Jong-il for helping to reach the accord."

The meetings produced results which indicated major strides toward ending more than half a century of enmity.

Earlier in the day, Mr Kim Dae-Jung discussed with North Korea's titular President, Kim Yong-Nam, possible road and rail projects plus steps to boost investment in the Communist North, where living standards are about a 10th of those in the bustling capitalist South.



PEACE AT LAST: North Korean leader Kim Jong-Il (R) and South Korean President Kim Dae-Jung join hands after signing a written agreement in Pyongyang on Wednesday. Photo: AFP

In a despatch from Pyongyang, China's official Xinhua news agency quoted a North Korean official as saying agreements on investment protection and the prevention of double taxation would be signed later on Wednesday to help spur closer economic ties.

The three S Korean Ministers accompanying the President — Ministers of Finance,

Unification and Culture and Information — held separate meetings with their counterparts today.

Diplomats said South Korea might broach the idea of forming joint Korean teams for international sports events, or at least marching together under a unification flag in opening ceremonies. (Agencies)

THE HINDUSTAN TIMES

15 JUN 2000

Koreas sign landmark accord

PYONGYANG: North and South Korea on Wednesday signed a landmark accord on reducing Cold War tensions and bringing together families divided for the past five decades, officials said.

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The meetings produced results which indicated major strides toward ending more than half a century of enmity. The Korean peninsula was divided between the communist North and the pro-capitalist South at the end of World War II in 1945. They have never officially ended the Korean war with a peace treaty, leaving the two sides on a virtually continuous war footing ever since.

In one symbolic move on Wednesday, the North halted its loudspeaker propaganda broadcasts across the demilitarised zone, army sources said. The daily insults and speeches were replaced with music. (Agencies)

THE TIMES OF INDIA

15 JUN 2000

Kims resume talks on families, economy

PYONGYANG, JUNE 14. The leaders of North and South Korea today started a second round of face-to-face talks, the second day of a groundbreaking summit aimed at easing half a century of cold war tensions on the divided peninsula. Television footage of the start of the meeting, which began at 3 p.m. (1130 IST), showed a relaxed, smiling Mr. Kim Jong-Il making small talk with the South Korean President, Mr. Kim Dae-jung.

Mr. Kim Dae-jung was expected to urge the North to permit reunions of more than a million families separated when the Korean war broke out 50 years ago, South Korean journalists in Pyongyang said.

He was also likely to invite Mr. Kim Jong-Il to Seoul for a return summit and emphasise the need for a continuing government-level dialogue between the estranged neighbours, who have been technically at war since the 1950-53 Korean war ended in an armed truce but not a permanent peace, the reports said.

Mr. Kim Dae-jung is accompanied by 50 South Korean journalists, as well as 130 businessmen and officials. But overseas reporters were barred from the summit, the first between leaders of the two countries since they were separated in 1948.

The two Kims were also expected to discuss details of economic cooperation, particularly how Seoul can help rebuild the North's shattered infrastructure.

Earlier in the day, Mr. Kim discussed with North Korea's titular President, Mr. Kim Yong-nam, possible road and rail projects plus steps to boost investment in the Communist North, where living standards are about a tenth of those in the bustling capitalist South.

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the idea of forming joint Korean teams for international sports events, or at least marching together under a unification flag in opening ceremonies.

'I am no hermit'

PYONGYANG, JUNE 14. The North Korean leader, Mr. Kim Jong-Il, often described as reclusive because of his rare appearance in public, thanked the visiting South Korean President, Mr. Kim Dae-jung, today for proving he's not a hermit.

"Some Europeans say I live like a hermit," Mr. Kim Jong-Il told the South Korean President at the start of their second round of face-to-face talks.

"I've been to China, Indonesia and many countries. But your visit has allowed to break out of seclusion. I thank you for that."

The two leaders also chatted about Kimchi, Korea's best known cuisine abroad.

The South Korean President said he had some cold buckwheat noodles for lunch, arguably North Korea's most renowned dish.

North Korea's Kim, speculating that his South Korean guest may have had to rush through his meal, said: "You have to slow down when you eat buckwheat noodles." Mr. Kim Jong-Il also said he watched with keen interest South Korean television broadcasts about the landmark summit last night.

"It seems our compatriots (in the South) also welcome the visit. And there was some perspectives about the visit (on the broadcast) that were introduced to me, as well," the North Korean leader said.

"It was a courageous decision by you to visit the North," Mr. Kim Jong-Il said. "I hope we were polite enough with you." — Reuters

Mr. Kim Dae-jung's immediate priority is to give some of the seven million South Koreans, many of them old, with relatives or ancestors in the North the chance to visit family members they have not seen for half a century.

"The President said that he thinks the important thing is to reach agreements on mat-

ters that can easily be put into practice, though small, and to implement them one by one," said the presidential spokesman, Mr. Park Joon-young, in Pyongyang on Wednesday.

The warmth of the first day of talks, when an estimated one million people thronged the capital to greet Mr. Kim, drew a positive reaction in North and South alike.

"The airport and streets of the capital city of Pyongyang were wrapped in an atmosphere of warm welcome," said North Korea's official news agency.

South Korea's progressive *Hankyoreh* newspaper commented: "Citizens in Seoul seem to have had a change of heart about Kim after seeing him on TV with his bright smile and confident gestures guiding Kim Dae-jung." But it said Pyongyang needs to reach out if the two Koreas are to overcome their troubled past, a stance also taken by the influential and traditionally conservative *Chosun Ilbo*.

"The success of the summit depends on North Korea's attitude regarding its survival and its openness," the *Chosun* said in an editorial. "North Korea should turn their interests to economic development and in order for that to happen, peace on the peninsula is a precondition."

Around the world, the positive mood of the summit spurred hopes of eventual reunification, with Washington and Moscow leading the applause.

"I think the fact that the two leaders are meeting is extraordinarily important... We were heartened to see the warm welcome that President Kim received," said the White House spokesman, Mr. Joe Lockhart, in Washington.

The U.N. Secretary-General, Mr. Kofi Annan, said he hoped the summit would mark a turning point towards lasting peace and stability on the Korean peninsula, leading to national reunification.

Russia also welcomed the meeting, which comes weeks before the President, Mr. Vladimir Putin's planned visit to the isolated North.

"It encourages hopes for a constructive dialogue between the two countries," the Deputy Foreign Minister, Mr. Alexander Losyukov, told Interfax news agency. — Reuters

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Summit / REUNIFICATION ACHIEVABLE, SAYS SEOUL

Koreans wake up to a new dawn

SEoul, JUNE 15. South Korea's President, Mr. Kim Dae-Jung, said today he believed Korean reunification was possible, as he returned to Seoul from a historic three-day trip to the rival North.

"I return with the firm conviction that unification can be achieved," he said in a speech at Seoul airport. "Both Koreas have a long history of a united and single race." He also thanked the people of Pyongyang for the welcome he received there.

The special flight bringing the President back landed at the airport barely an hour after leaving Pyongyang where he and the North's leader, Mr. Kim Jong-Il, signed a landmark reconciliation pact. South Korea today unveiled an ambitious blueprint to implement the landmark pact, but emphasised disman-

tling the Cold War structure on the divided peninsula would be gradual. The proposals included a military hotline and a railway crossing at the demilitarised border between the two countries. Official statements from the South Korean delegation to the Summit also called for Pyongyang to set up legal and institutional frameworks for future business projects. These would include accords on investment guarantees, avoiding double taxation, payment settlements and bank fund transfers, and intellectual property protection. "To prevent any unexpected military incident, we will push for the establishment of a direct military hot line," the blueprint said.

The two countries remain technically at war since the 1950-53 Korean War ended in an armed truce and not a permanent peace ac-

cord. Seoul would also seek to relink a railway between the two countries which was disconnected at the time of the war, and build an anti-flood project on the Imjin-Gang river on the border. Seoul said it would prepare for a visit by Mr. Kim Jong-Il, who had accepted an invitation to a return summit in South Korea "at an appropriate time". The two Kims wrapped up their ground-breaking summit after clinching the wide-ranging agreement to boost confidence and economic ties between the two countries. It capped an extraordinary two days which introduced the mysterious leader to the world and raised hopes the two Koreas might finally be able to knock down what the South's Mr. Kim called a "wall of mutual mistrust". The statement said the two sides would begin a step-by-step process of reuniting families torn apart when war erupted on the peninsula a half-century ago. "The issue should be worked out gradually in a process that takes into consideration the positions of both sides.

Mr. Kim Dae-Jung said he had raised international concerns over the North's nuclear and missiles programme during the Summit.

"The issue of North Korea's nuclear (programme) was raised, the issue of (North Korean) missiles was also raised," he said.

The issue of U.S. troops stationed in the South and the draconian anti-Communist law also figured during the Summit. "All kinds of pending issues were raised," he said, adding that he had "very useful" talks and discovered a "good prospect" for settling disputes. He, however, reveal how his counterpart had reacted on the thorny issues.

Thousands of families separated by the division of the peninsula were gripped by emotion and expectation after the two leaders signed the accord. The declaration calls for arranging reunions in August of an unspecified number of families separated. Thousands of people with family members in the North went without sleep last night, excited over the prospects of seeing their relatives. They huddled around TV screens showing the two leaders holding their joined hands aloft. — AFP

16 JUN 2000

Reunification possible: S. Korea President

Seoul, June 15

SOUTH KOREA'S President Kim Dae-Jung said today he believed Korean reunification was possible, as he returned to Seoul from a historic three-day trip to the rival north.

"I return with the firm conviction that unification can be achieved," he said in a speech at Seoul airport. "Both Koreas have a long history of a united and single race." Kim also thanked the people of Pyongyang for the welcome he received there.

The special flight bringing the President back landed at airport barely an hour after leaving Pyongyang where he and the North's leader Kim Jong-Il signed a landmark reconciliation accord.

A Government release said South and North Korea would take measures to prevent an accidental war, including setting up a military hotline.

"In accordance with this spirit, the South and North will implement measures such as the opening of direct military hotlines, the suspension of mutual denunciation and acts of destruction and insurrection," a government task force said in a report released here.

The report said there was "firm

agreement" between the leaders of the two Koreas during their landmark summit in Pyongyang on the prevention of war and establishing peace on the Korean peninsula.

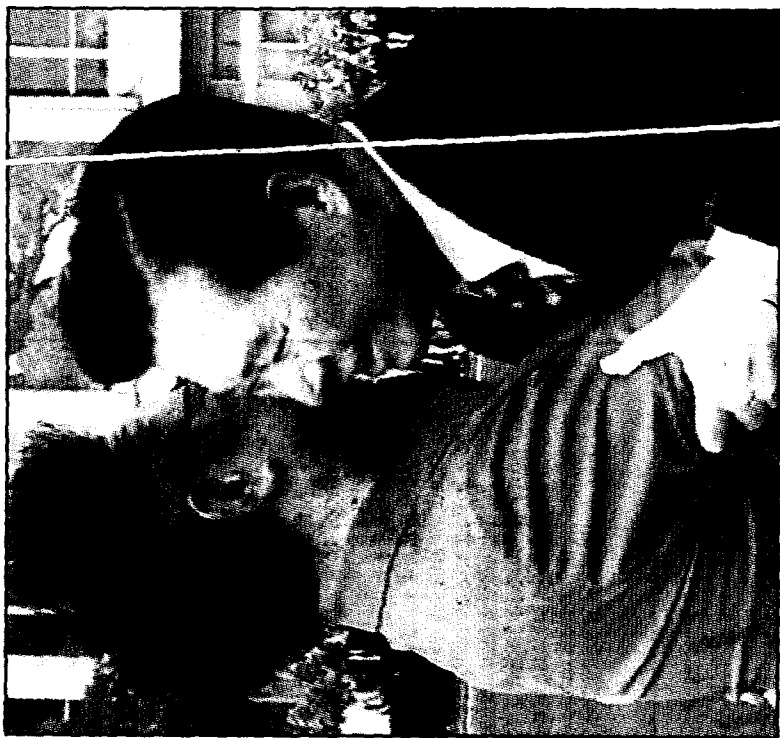
The report spelled out guidelines and detailed plans for Seoul to implement a groundbreaking joint declaration signed yesterday by the Presidents of the two Koreas.

The report quoted Kim Dae-Jung as warning that the eruption of war would destroy the peninsula and that "nothing would be achieved by means of war."

The two Koreas, divided in 1945, have been engaged in scattered armed clashes across the border since they fought a devastating war in the early 1950 which has not officially ended.

The report said as the two Koreas "are set to build a structure of peace based on mutual trust as well as the reduction of threats against each other, they will be able to achieve the goal of ending the cold war."

In Japan, thousands of Koreans drove to the streets welcoming the accord. Korean bars, restaurants, and clubs remained open all night as the Koreans drank the establishment's drinks to welcome a reunification agreement contained in the joint communique. (Agencies)



HEART TO HEART: South Korean President Kim Dae-Jung (Right) embraces North Korean leader Kim Jong-Il before the former's departure at Pyongyang's Soan airport for Seoul. Photo: AFP

Reunion prospects give Koreans sleepless nights

THOUSANDS OF families separated by the division of Korea were gripped by emotion and expectation today after the leaders of the two sides signed a historic joint declaration in Pyongyang.

"This is the happiest moment in my life," said Kim Kyong-Hwae, 77, who on Monday had shown yellow pictures of his relatives in the North to President Kim Dae-Jung prior to his departure for Pyongyang.

"I am so impressed that they agreed on ... the issue of separated families," Kim Kyong-Hwae said.

The declaration the President signed with North Korean leader Kim Jong-Il calls for arranging reunions in August of an unspecified number of families separated since the end of World War II in 1945.

Thousands of people in South Korea with family members in the North went without sleep last night, excited over the prospects of seeing their relatives in the North in August. **AFP, Seoul**

h/Am's

Seoul searching

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16/6

Tangibles must accompany the historic Korean handshake

SOMETIMES a simple handshake can leave more enduring thumbprints in history books than scrawly signatures on piously worded accords. It is the images of South Korean President Kim Dae Jung's historic journey into the Hermit Kingdom that carry more import than the accord he concluded his visit with. It is from these photographs, in fact, that optimism emanates about healing the Korean peninsula's still smarting wounds, inflicted by the long dead Cold War; for well-intentioned accords aimed at reconciliation and eventual reunification of the two Koreas on either side of the 38th parallel have been agreed upon before, in 1972 and in 1991, only to be soon forgotten as the two siblings retreated into confrontation and suspicion. And, yet, there is no gainsaying that the South Korean president's summit with North Korea's "supreme leader" Kim Jong Il exceeded all expectations. He has returned from Pyongyang with a joint declaration brimming with resolve to take initiatives towards reconciliation, reunification, reduction of tension, reuniting families separated during the war in the early fifties, and encouraging exchanges and cooperation in sundry fields.

For all the cautiousness any optimism must be laced with, perhaps the biggest gain in this entire summit is that the mists of mystery and reclusiveness shrouding the dictators of Pyongyang have retreated somewhat. In a world perpetually on edge about the North Korean leadership's on-off fascination with nuclear programmes and long-range missiles and the desperate stunts that could be engineered by them to tackle pitifully severe food shortages, this is good news. It offers

hopes of establishing a reliable line of communication with North Korea's elusive leaders. For, the two immediate tangible outcomes of the meeting of the two Kims are likely to be a military hotline and a railway crossing at the demilitarised zone. Indeed, the very fact that the two leaders underplayed the thorny issues on everybody's mind — like the presence of 37,000 American troops stationed in South Korea or the suspected nuclear installations in North Korea — indicates pragmatism and maturity. Seemingly innocuous gestures like fostering family reunions and organising a return visit by Kim Jong Il to Seoul are necessary to counter half a century of suspicion. After all, the two countries are technically still at war; addressing military problems will require all the mutual warmth and cordiality that can be generated from sustained people-to-people contacts — for instance, the prospect of fielding a common team for the 2001 world table tennis championships and the 2002 soccer World Cup, as indeed of allowing common entry to the two teams at this summer's Olympic Games in Sydney.

However, reconciliation is dependent on powers beyond the peninsula. The countries arrayed behind the two Koreas — notably the US and Japan behind Seoul and China and Russia behind Pyongyang — must be keenly aware of their role in movement towards rapprochement. It is significant that the North Koreans have of late been vociferously referring to alleged US involvement in a couple of massacres during the war. It is a responsibility all six nations must come to grips with if the world is to be made a safer place.

INDIAN EXPRESS

1998

Korean summit declaration raises more questions than it answers

By Harvey Stockwin
The Times of India News Service

HONG KONG: The first-ever document signed by North and South Korea is being widely oversold as a 'landmark pact' and a 'historic agreement' setting the two Koreas on the 'road to reunification'. But the cold reality is that the joint declaration signed by South Korean President Kim Dae Jung and North Korean Workers Party Chairman Kim Jong Il raises more questions than it answers, and is, in one important sense, a big disappointment.

Put in Indian terms, the 'Pyongyang Declaration', as President Kim has already called it, bears a likeness to the 'Lahore Declaration' which was supposed to usher in a new era of Indo-Pakistan amity. Similarly, there are those skeptics in South Korea who wonder, given North Korea's unpredictable track record, whether another 'Kargil' may yet lie in store. An analysis of the Pyongyang Declaration is made all the more difficult by the fact that at least three translations into English have so far emerged.

First and foremost, the summit

produced a 'joint declaration', a relatively low form of diplomatic format, usually used by nations when they prefer to affirm general principles without tying themselves down to specifics. What has been produced at this summit is not even a joint communique, still less a joint agreement—although this has not stopped the media from hailing it as such.

Second, the two Koreas have sought to finesse the very real differences that divide the communist

NEWS ANALYSIS

North from the democratic South by asserting an undefined Korean nationalism vis-a-vis the rest of the world. This intent comes across clearly in the first of five points in the Pyongyang Declaration—'The South and the North have agreed to resolve the question of reunification independently and through the joint efforts of the Korean people, who are the masters of the country.'

Third, the two sides have declared that 'there is a common element in the South's concept of a confederation and the North's formula for a

loose form of federation. The South and North agree to promote reunification in that direction'. This clearly raises more questions than it answers, since the North's concept of federation, leaves the Kim communist dynasty in charge of the whole country, a position democratic South is not likely to agree to.

Fourth, and in some ways most important, given the emotions aroused by the summit, the two Koreas 'agree to resolve promptly humanitarian issues such as exchange visits by separated family members and relatives on the occasion of the August 15 National Liberation Day'. In the South, this is the big issue as 1.23 million direct and over seven million indirect relatives of Northerners are agitating to see their family members before they die. The promise in the joint declaration scarcely suggests a proper resolution of this huge problem. On the contrary, it suggests tokenism, with possibly a couple of hundred of relatives from both sides having reunions on August 15 in the truce village of Panmunjom.

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15/10

Kith and Kims

15/10

At the end of the first ever summit between the leaders of the two halves of divided Korea, President Kim Dae Jung and North Korean supremo Kim Jong Il delivered more than what the world was led to expect. They have agreed to reduce tension, step up their economic and cultural cooperation, permit the reunion of divided families; they have also reasserted their common objective of working towards reunification. Kim Jong Il has accepted an invitation to visit Seoul and a hotline is to be set up between the two capitals. This is a victory for the 'sunshine' policy doggedly pursued by President Kim Dae-Jung — of cultivating North Korea in spite of its intransigence and hostility. The man who made his way to the Korean presidency from the death row cell to which a military regime had sent him has succeeded in breaking through to the 'hermit country'. The compulsions and pressures which brought North Korea to the present summit are multiple and enormous. It has been suffering from food shortages and economic crises for successive years. Its ability to maintain a large army and continue a policy of confrontation towards South Korea — which hosts 37,000 US troops — is steadily declining. Pyongyang's traditional patrons, Russia and China, have fervently embraced the market economy and have established very cordial and far more productive relations with South Korea. Internationally, North Korea is totally isolated and has to depend heavily on external sources for its energy and food supplies. The US cites North Korea as the foremost reason for wanting to deploy a missile defence system and the Russians, Europeans and Japanese are inclined to agree with that assessment. North Korea could not continue to slide down the slippery slope of becoming a failed state. The statesmanship of Kim Dae Jung offers a way out and it was sensible of Kim Jong Il to have responded.

All this does not mean the reunification of the two Koreas is around the corner. A unified Korea with a population of 80 million will be a very powerful nation in East Asia. The four most powerful nations of the world — the US, China, Japan and Russia — all have their reservations about this. The South Koreans understand this and have decided to go about reunification at a manageable pace. The emphasis is on the opening up and building up of economic relations; confederation and reunification will come last. The South Koreans have carefully studied the lessons of German reunification and are determined not to create similar problems for themselves. Therefore, the immediate benefits flowing from the present summit are likely to be economic aid, particularly food aid from South to North, reunification of families and the reduction of tension. Sceptics may point to the failure of earlier peace efforts but the circumstances were different as North Korea has never been in such dire straits as it is today. India has a stake in the efforts of President Kim Dae Jung. Hopefully, if Seoul succeeds in establishing a significant economic aid link with Pyongyang, and develops leverage over its northern neighbour, it should be possible for it to exert pressure on North Korea not to proliferate Nodong missiles to Pakistan. Till now the North Koreans justified their missile and arms transfer policies in terms of their economic compulsions.

THE TIMES OF INDIA

Kims part with a promise to meet again

By Harvey Stockwin
The Times of India News Service

HONG KONG: The unprecedented summit meeting between North and South Korea ended on a high note on Friday with South Korean President Kim Dae Jung and North Korean leader Kim Jong Il publicly embracing each other amidst a rousing, but regimented, send-off at the Pyongyang airport.

Arriving at Seoul's Kimpo airport to another rousing, but partially regimented welcome, President Kim claimed that the summit was the biggest event in the Korean history and it had convinced him that reunification of the peninsula was possible. "To us, it's a new day," Mr Kim said, adding, "We are at the juncture of opening a new chapter in our history, putting an end to 55 years of division and hostility."

Mr Kim hardly needed to oversell the North-South joint declaration which the two leaders signed at midnight on Wednesday after a four-hour summit session. It was already being done for him.

"The Korean peninsula has just escaped the threat of war and is heading for true peace and prosperity," one local paper claimed. Yet nothing said or done at the summit can alter the fact that 1.1 million North Korean soldiers stand poised just north of the demilitarised zone, with roughly 1,000 North Korean artillery pieces within the

range of Seoul. Earlier at the Pyongyang airport, Mr Kim Jong Il walked with President Kim all the way along the red carpet to his plane before giving the South Korean leader an unexpected hug before the latter boarded the plane.

In this, and many other ways the summit was a coming-out party for Mr Kim Jong Il, who, prior to the summit, had been very rarely photographed and whose voice had been recorded by the outside world only once. He was a demonised figure until this summit which, thanks to TV coverage, has humanised him in the South Korean eyes.

The most tangible achievement spelt out in the North-South joint declaration signed by the two leaders was that President Kim cordially invited his North Korean counterpart to visit Seoul and chairman Kim had accepted the invitation. The South Korean government has expressed the hope that the North Korean leader would visit on August 15 as the day marks Korea's liberation from the Japanese colonial rule in 1945.

Apart from this, the joint declaration indicates that the two Koreas will keep contacts alive. Both the leaders have put so much of their prestige behind in trying to improve the atmosphere between the two nations that they now seem to have little choice but to see that dialogue leads to tangible achievements. They have raised hopes so high, they must now quickly seek substantial achievement.



Kim Dae Jung



Kim Jong Il

THE TIMES OF INDIA

17 JUN 2000

10-12 17/6

THE KOREAN SUMMIT

H. Kim

IT WOULD HAVE been wrong to have had high expectations of the first-ever Korean summit in half a century. The very fact that the South Korean President, Mr. Kim Dae-Jung, and the North Korean leader, Mr. Kim Jong-Il, met for three days with their delegations is seen as a breakthrough in international relations. Bringing Pyongyang and its reclusive leader out of their isolation was by itself an achievement. Even before the parliamentary elections a couple of months ago, Mr. Kim Dae-Jung announced his plans for the summit. Not surprisingly, the people in both Seoul and Pyongyang are excited about the prospects of reconciliation and possible reunification. But it is premature to talk of long-term gains from the summit and the two leaders have been very pragmatic. They are conscious of the high expectations and the serious problems. They prefer to go step by step and see where it leads. Five decades have gone by since the 1950-53 war and despite the armistice, there have been persistent tensions in the Korean peninsula and frequent skirmishes in the demilitarised zone as well as the sea. To reduce tensions and to work towards reconciliation will be the first major step the two Koreas should take.

At this summit, the two Kims signed at least four major agreements. There is basic agreement on the need to reduce tensions and work towards ultimate reunification. But that is obviously a medium or long-term plan. From Seoul's viewpoint, there was growing pressure on the President to open the borders for the reunion of families separated by the war. An old generation wants to meet up with long-lost relatives before it is too late. This is bound to have an emotional impact in the weeks and months to come, before the actual reunion takes place. The repatriation of political prisoners will be

another positive outcome. For the North, food and economic development remain on top of the agenda. Even at the four-party talks, which included China and the U.S., Pyongyang demanded increased food supply and economic assistance. Seoul may be right in asking for road and air linkages with the North and has offered to play a lead role in developing the infrastructure. Top businessmen from the South have also visited Pyongyang, along with the President.

Apart from the bilateral and regional perspective, the proposed reunification of the Koreas has considerable international ramifications. Just as Mr. Kim Jong-Il decided to make a flying visit to Beijing for consultations before the summit, Mr. Kim Dae-Jung has been in close and constant touch with Washington and Japan. North Korea's nuclear programme and its plans for a long-range missile have caused considerable concern in the region and revived U.S. plans for a missile defence system. Similarly, Pyongyang will continue to raise the issue of the presence of some 37,000 American troops in South Korea. Going by the German experience, it is not going to be easy for the two Koreas to bury the past, overcome their suspicions and sort out the major social, political and economic differences to work for a smooth reunification. But now that a beginning has been made and the two leaders have agreed that it is "obligatory" to work towards that goal, the long journey must begin. As Mr. Kim Dae-Jung has suggested, it is easier to start with issues which unite and encourage people-to-people contact. If the two Kims take it seriously, Korean reunification could change the complexion of the region and the world. Besides removing a flashpoint, it could bring about a transformation in the Asia-Pacific equations.

KOREA / ROAD LINK TO BE RESTORED

Significant gestures set in motion

10-16
1976

SEOUL, JUNE 16. North and South Korea today embarked on a new era of reconciliation with small but significant gestures following this week's summit in Pyongyang.

The North allowed a southern fishing boat that had strayed across the disputed Yellow Sea border to sail back to its home port at Paengnyongdo island with its two crew members.

A year ago on Thursday, North and South Korean naval vessels clashed on the yellow sea border in their worst naval firefight since the 1950-53 Korean war.

Another cold war fixture that was the highlight of any trip to Korea's demilitarized zone (DMZ) passed into history today when Seoul turned off its propaganda speakers.

For decades, public address systems on both sides of the four km wide no-man's land that cuts a 242-km swath across the Korean peninsula have blasted insults and pleas for soldiers to defect.

The South Korean President, Mr. Kim Dae-jung, basking in the acclaim of global leaders and his own people, ordered his Cabinet to find ways of implementing a summit accord with the North's Mr. Kim Jong-Il, that would coax the Stalinist state out of its self-imposed isolation and help rebuild its economy.

An early priority for the Presi-

dent is to restore the 25-km rail link between the two countries, severed at the start of the Korean war in 1950.

When restored, the line would link the strategic peninsula to the Asian mainland and Europe. Mr. Kim called it "a silk road in the new millennium". The two Korean leaders made considerable headway on a reunification proposal, Mr. Kim said.

Pyongyang has now accepted Seoul's confederation idea of "two governments and two systems" in which North and South Korea would exercise their own diplomacy and defence, Mr. Kim said.

North Korea's heretofore enigmatic and reclusive leader, Mr. Kim Jong-Il made a huge splash at the summit, raising expectations the secretive regime was ready to end its isolation.

The unpredictable North Korean leader even gave a thumbs up to the idea of a visit by Pope John Paul, Mr. Kim Dae-jung's spokesman said today.

Mr. Kim said he told the U.S. President, Mr. Bill Clinton, by telephone that he had urged Pyongyang to cooperate in missile talks with Washington because that would further peace and cooperation between the two Koreas. — Reuters

KIM OVER HERE ✓

518 20/6 The Pyongyang summit ✓

NO tortuous logic was involved in the summit meeting between the two Korean Presidents successfully concluded in Pyongyang last week. Two earlier summit proposals came to nought, the first because of protocol, the second because one of the leaders involved, Kim Il Sung, died. There is a basic emotional bond between the two Koreas that has never been broken, despite the state of virtual war since 1953. The Cold War context is gone and the conflict has assumed a new shape, having more to do with regional balances of power and a possible reassessment by North Korea of its own position in the new world, than by superpower rivalry. This break with the Cold War context is on both sides: the South has made a transition towards democracy, electing a President with a "sunshine policy" towards the North, of gradual rapprochement, *wons* in hand. In the North, the death of Kim Il Sung can be construed as a policy shift in itself. Kim Il Sung was a first-generation Communist and was less likely to compromise with post-Cold War realities than his son who cultivates all capitalist vices as a good Communist should, but may have also seen the absurdity of having ballistic missiles pointed at the very countries which supply him food for his starving people. North Korea's current engagement with the world began in 1994, with the framework agreement with the United States, which opened up its nuclear sites to US inspection in return for nuclear power plants. But more than US pressure, it is the effervescent capitalism that surrounds it which probably told on the old-fashioned Stalinist regime in Pyongyang. In the absence of the old barter blocs that sustained such regimes, North Korea became economically unviable. Castro is facing similar difficulties. North Korea has recently restored ties with Italy, while Japan and Australia are about to do the same, lured by cheap and skilled labour.

The summit, therefore, has to be seen in the backdrop of North Korean compulsions. South Korea would be the country most willing to bail it out of economic morass, a responsibility that President Kim Dae Jung has already said he is willing to undertake. The joint declaration in Pyongyang may have touched only upon non-security issues: the reunification of families, South Korean investment in the North and ultimate reunification. But its significance is clear: the Korean war is over, neither Pyongyang nor Seoul are pretending to represent the true Korea anymore. This does not mean that 37,000 US troops will withdraw immediately or that strong anti-rapprochement lobbies on both sides will stop functioning and creating difficulties. What this means is that the apparatus of hostility can be gradually dismantled. Especially since none of the other strategic players in the region have any great desire to see the *status quo* in the peninsula endure, not even China which saw the setting up of the Trilateral Coordination Oversight Group between the US, Japan and South Korea, after the North lobbed a missile over Japan in August 1998. It is North Korea which needs the Chinese pat on the back to bolster morale, more than the Chinese have any need for a strategic partner or a sphere of influence.

RECEIVED

20 JUN 2000

Puppets on a string

HONG Kong's elite will go to the polls on 9 July to choose the Election Commission as provided for in Annex II of the Basic Law, which is the island's mini-constitution. The 800-strong Election Commission, will then choose six legislators in the law-making legislative council elections to be held on 10 September.

Under the Basic Law, the second legislative council of Hong Kong's Special Administrative Region will consist of 60 members, but only 24 will be elected by one-person, one-vote through five geographical constituencies. Thirty legislative council members will be returned by the so-called functional constituencies and six by the EC, all drawn from professional and business sectors.

Although the Special Administrative Region government has refused to say whether the EC will also elect the second chief executive in 2002, many people have argued that it should be the same body, as is stated in the Basic Law. One diplomat remarked cynically that chief executive CH Tung, who will most likely stand for re-election, is probably waiting to see if the EC is packed with his supporters before deciding that it will also select the chief executive in 2002.

In spite of the uncertainty, key players in the business community are taking no chances. Many tycoons couldn't care less about electing Legislative Council members, but they've decided to vie for a seat on the EC because they want to have a say over who would be the next chief executive. Special Administrative Region officials have also dropped broad hints that the EC to be chosen on 9 July may well select the chief executive in 2002.

The Special Administrative Region government is reluctant to reveal its hand on the dual role of the EC because it doesn't want it hanging around for the next two years scrutinising Mr Tung's every move and putting pressure not only on him but on the entire administration. Hong Kong is faced with such an absurd scenario because the chief executive is chosen by a handful of people. In December 1996, Mr Tung was chosen the first chief executive by 400 people hand-picked by Beijing; 800 people will, in 2002, choose the second chief executive. This is the famous "step-by-step" democratisation.

Of a population of nearly seven mil-

lion, only around 200,000 people of Hong Kong have the right to vote on 9 July. Furthermore, many of them will not bother because they know the results are preordained. Like elections in mainland China, the results are known before a single vote is cast. Besides knowing who will be selected

process. This system of giving preferential treatment to the business sector is a British colonial legacy. Under this bizarre method of election, chambers of commerce, banks, insurance companies, real estate developers and selected professionals such as lawyers, doctors, accountants, architects, engineers, teachers and nurses are given special constituencies to elect their representatives. By bending over backwards to take care of vested interests, these people are co-opted into the system and they will help maintain the status quo. The Chinese government was so enamoured with this disgraceful system that it became enshrined in the Basic Law.

Despite the fact that politics and business are blatantly intertwined, Anson Chan, chief secretary for administration, tried to disclaim any connection between the two. Last month, He Zhiming, a vice-director of mainland China's liaison office in Hong Kong, warned that business people risked reprisal for trading with Taiwanese who advocate the island's independence.

Commenting on Mr He's remark, Mrs Chan said it was "inappropriate for any political consideration to affect business decisions." While I applaud her swift rebuke of Mr He, I find her hypocrisy breath-taking.

It is common knowledge that political considerations colour almost every facet of Hong Kong life. People from the pro-democracy lobby are treated as pariahs by the establishment and many have difficulties in finding jobs because employers regard them as trouble-makers. Academicians, professionals, business people and entertainers are reluctant to offer assistance or to collaborate with pro-democracy politicians because they fear reprisal from Beijing.

The Hong Kong political system is designed to protect the business sector, which offers the authorities its unquestioned support in a quid pro quo. Special Administrative Region officials may make high-sounding remarks to defend the people's freedom to make money in Hong Kong, but this cannot hide the ugly truth that many businesses have traded their consciences in order to buy peace with the establishment.

The author is associated with The Frontier in Hong Kong and contributes frequently



CH Tung: a chief executive chosen with the support of only a handful of people

from the EC, the identities of the six people destined to join the Legislative Council in September via the EC is the worst kept secret in town. Elections by the EC and functional constituencies ensure that businesses and professional people have disproportionate influence in the political

Seoul sees Chinese role in Korean unification

Beijing, June 19

CHINA CAN play a crucial role in promoting further talks between the two Koreas and eventually help them towards unification, a South Korean embassy official in Beijing said today.

China is the country closest to reclusive North Korea, and can help its isolated leaders get a better idea about what is going on abroad, said Lee Kyu-Hyung, a Minister at the embassy.

"We encourage the Chinese to welcome the North Koreans," the South Korean embassy official said at a briefing of reporters in the Chinese capital.

"At the end of last month, North Korean leader Kim Jong-II went to Beijing in his first publicised visit abroad since taking over the reins of power from his father Kim II-

Sung in 1994.

It is widely believed that the aim of Kim's visit was partly to prepare for the summit with South Korean President Kim Dae-Jung, which took place last week.

"I believe the objective of the visit was two-fold," the embassy official said. "One was the restoration of traditional relations between the two countries and another to exchange views on the summit."

China is one of the four outside nations with the most direct stake in developments on the Korean peninsula, along with the United States, Japan and Russia.

China's interest in relations between the two Koreas was reflected in its congratulations extended over the summit, Lee said.

(AFP)

THE HINDUSTAN TIMES

Taiwan China rejects summit call for su

AP/WIDEWORLD

TAIPEI, June 20. — The Taiwan President, Mr Chen Shui-Bian, today invited his Chinese counterpart, Mr Jiang Zemin, to a summit along the lines of last week's Korea summit. China ignored the Taiwan President's call for the summit.

"We demand that Taiwan's leadership recognise the one-China principle," the Chinese foreign ministry spokesman, Mr Zhu Bangzao, said. "Under this precondition anything can be discussed," he said.

Mr Chen said, "If North and South Korea can, why can't the two sides of the (Taiwan) strait?" "I invite Mr Jiang Zemin, to join hands and work to create a moment like the handshake between North and South Korea," Mr Chen said.

"I believe leaders of the two sides of the straits have wisdom and originality to rewrite history and create history," he said. There was no immediate reaction from Beijing.

Mr Chen said the summit can be held in any form or place and should not be restricted by any preconditions. He said the island has not ruled out backing Beijing's bid to host the 2008 Olympics and offered to co-host some events if Beijing won the bid.

21 JUN 2000

US eases sanctions against N Korea

REUTERS

WASHINGTON, JUNE 20

THE United States has eased economic sanctions against North Korea after almost 50 years, further lowering the barriers between the reclusive Stalinist state and the international community.

The move yesterday implements an announcement made by President Bill Clinton last September and is aimed at improving relations between the nations while encouraging North Korea to refrain from testing long-range missiles.

Trade of most goods between the countries is now allowed, as is direct personal and commercial financial transactions, investments, shipping cargo and commercial flights.

While US citizens will still require a licence from the treasury department to do business with North Korea, under the new rules permis-

sion will be much easier to obtain.

"These measures are supported by our close allies in the region and are part of the process of close coordination between the United States, Japan and South Korea recommended by former secretary of defence William Perry," Clinton said in a statement.

"We will continue to build on these efforts and on the recent North-South summit to achieve additional progress in addressing our common (weapons) proliferation concerns," he added.

State Department spokesman Richard Boucher told reporters at a briefing the easing of sanctions would allow most imports and exports of non-sensitive consumer goods. "Also permitted in the easing are direct financial transfer from one person to another, such as from a family in the United States to family members in North Korea or for legitimate commercial purposes,"

he added. Restrictions associated with North Korea's designation by the United States as a terrorist-supporting state remain in place. That means exporting military goods and sensitive technology is still not allowed and companies will not be able to secure help from the export-import bank to facilitate trade with North Korea.

The changes were published yesterday in the federal register, the official publication of US Government proceedings, and came just days after a historic summit between leaders of North and South Korea and less than a week ahead of June 25, the 50th anniversary of the Korean war.

South Korean President Kim Dae-jung and North Korean leader Kim Jong-il agreed last week to reduce tensions on the divided peninsula and to hold reunions of families torn apart when the Korean war broke out 50 years ago.

Clinton's decision followed a moratorium by North Korea on its missile-testing programme and cooperation with the United States on a broad range of issues that Washington says could result in normalised relations.

North Korea's test-firing of a missile over Japan in August 1998 indicated that it had ended the big powers' monopoly on long-range missiles and helped prompt the United States to begin setting up a defensive shield to protect against any such attacks.

"It is our understanding and expectation that North Korea will continue to refrain from testing any long-range missiles for the duration of our negotiations that are aimed at improving our relations," Boucher said.

The United States began testing its engagement approach with North Korea in 1994, after it determined it had produced enough plu-

tonium at a nuclear facility for one or two bombs. Enemies since the 1950-53 Korean war, the two sides negotiated an "agreed framework" under which North Korea froze its nuclear weapons programme in return for a US vow to provide two nuclear power reactors and oil supplies worth \$five billion.

Boucher noted that while members of the US Chamber of Commerce are planning to travel to North Korea to explore possibilities for trade, initial options seemed limited given the state of the cash-strapped economy in the communist country. Washington has said the warming of relations on the Korean peninsula would not lead to a withdrawal of the 37,000 US troops posted in South Korea.

"Our troops are there as long as we and the South Koreans think they're necessary for defence," Boucher said. "That situation hasn't really changed at this stage."

A Tale of Two Kims

New Hand in post-Cold War Poker Game

By C UDAY BHASKAR

THE recent Pyongyang summit meeting between South Korean President Kim Dae Jung and the North Korean supremo Kim Jong Il has a historical poignancy about it — coming as it does on the eve of the 50th anniversary of the three-year Korean war that was triggered on June 25, 1950. While the outcome at Pyongyang is perceived as being largely symbolic due to the many intractable issues and animosities that continue to divide the two Koreas, the summit draws attention to the relevance that the Korean peninsula — either divided or united — has for post Cold War Asian geo-politics and the strategic interests of the four major powers the US, China, Russia and Japan.

The divided Korean peninsula is in many ways the last Asian vestige of the now interred Cold War and the tentative reconciliation process that has begun may well stabilise a complex geo-political region that is still seen as being inherently unstable. During the Cold War decades it was common to refer to North East Asia as a region of four scorpions — China, Japan, South and North Korea — each watching the other warily but trapped in the (US-Soviet) bottle of the Cold War. Little is known about the communist North Korean regime, often alluded to as the 'hermit kingdom' due its fierce insularity except that the regime has been variously described in the dominant western perception as a nuclear weapon and missile transgressor and a "rogue" regime. This aspect has specific relevance for India since Pyongyang has contributed in no small measure to the China-Pakistan-North Korea WMD (weapons of mass destruction) transfers.

While the text of the Pyongyang Accord is brief — just five specific points — and is more of a statement of intent to nurture reconciliation across the armistice demarcation line, the geo-political inferences embedded in this summit warrant scrutiny. The immediate fall-out of the summit is the opportunity for families separated 50 years ago to meet on August 15 — an event that has generated enormous interest and emotion in the one million plus families that are directly affected. As regards the long-term, to sustain the summit process, the North Korean leader Kim Jong Il has accepted an invitation to visit Seoul at "an appropriate time" so that "the South and North, as masters of national unification, will join hands in efforts to resolve the issue of national unification independently."

But how imminent and plausible

is Korean unification? Given the tangled contemporary relationship between the principal players in North East Asia and the impress of bloody and ruthless historical inheritance, it would appear that none of the major powers whose strategic interests are directly affected by the two Koreas are in favour of a speedy re-unification. Paradoxically, even Seoul may not be too keen on a repeat of the German merger since the costs — politico-military, economic and social may be prohibitive in the long run.

The contrast between the two Koreas is indeed striking. North Korea, a dyed-in-the-wool communist regime that was beholden to Moscow during the Cold War and now Beijing, has a population base of 21 million with a GDP of about US \$12 billion and spends about US \$2 billion to sustain a military of 1.1 million troops. Pyongyang is perceived to be WMD capable in a

IN BRIEF

- The Pyongyang summit was largely symbolic
- There are many hurdles to the re-unification of the Koreas
- The US, the principal player in post-Cold War NE Asia, is satisfied with the status quo
- Beijing and Moscow have similar anxieties about US hegemonism in NE Asia

destabilising way, and its nuclear weapon and missile profile has been interpreted as having reverberations that may well affect post-Cold War strategic stability — if current US rhetoric on the subject is to be taken at face value.

South Korea, accused by its neighbour of being an 'American stooge', on the other hand is the post-Cold War success story. Having come out of tyrannical military rule, Seoul's economic progress — symbolised by the rise of the Hyndais and Daewoos before the 1997 financial crisis and the manner in which the South Korean economy has recovered since — is indeed commendable. Seoul's GDP in 1998 was US \$426 billion and with a population base of 47 million, it spends about US \$14 billion on defence to sustain an active military of 672,000 troops. South Korea also harboured nuclear ambitions at one time, though it has since renounced such aims and is firmly within the US security umbrella that also includes Japan.

The principal military player in

post-Cold War NE Asia is the US and it is satisfied with the status quo. It currently has 37,000 troops in South Korea and a similar presence in Japan — much to the chagrin of China and Russia. While Beijing wields considerable influence in Korean matters through its protegee and often erratic ally in Pyongyang, post-Cold War Moscow has been relatively marginalised in the peninsula and is not part of the 1994 agreement that brought North Korea back into the nuclear non-proliferation fold. However, Russia under President Vladimir Putin is determined to get back into the strategic poker game and, significantly, even as the Korean summit was being unveiled, Moscow announced (June 9) that Mr Putin would visit Pyongyang just before July 21 G-8 summit in Japan.

Beijing and Moscow have similar anxieties about US hegemonism and assertiveness in NE Asia and this is compounded by the entire theatre missile defence issue. Washington is determined to put these missile defences in place for itself and its allies (Japan, South Korea and Taiwan) and has justified the entire national missile defence system on the basis of the potential rogue state — read North Korea — threat. Russia, which is aware of its current economic vulnerability, would like to resist the NMD proposal and one means would be to bring Pyongyang into the mainstream of regional security deliberations.

China which has a long historical antagonism with Japan would be jittery about a unified Korea, since this would remove the main justification for US troops in the region, thereby encouraging Japan's military build-up. Thus China which protests in public about the US military presence in the region would prefer the current status quo regarding Korea and support reconciliation but balk at re-unification. Ditto for Japan, for a unified Korea would mean a nation of about 70 million and a military of almost two million with considerable trans-border military capability including a WMD profile, and a deep anti-Japanese and pro-China strategic sentiment.

Hence it is likely that Korea will remain divided for some more years and while gradual reconciliation is possible, there are too many banana peels strewn in post-Cold war Asian geo-politics and the Korean peninsula is integral to the poker game that links the principal players and the disparate issues. New Delhi must be alert to these developments.

Taipei on Beijing's front-burner, says US secretary of state

Albright urges Taiwan talks

Beijing, June 22 (Reuters): US secretary of state Madeleine Albright urged Chinese leaders today to hold talks with Taiwan, the island Beijing regards as a renegade province whose new President has requested negotiations.

She told a news conference before seeing President Jiang Zemin and after meeting three senior officials that she had "good, substantive discussions" focusing mainly on China's accession to the World Trade Organisation — a move Washington hopes will improve China's rights record.

Apart from discussing defence issues and last week's landmark summit between North and South Korea, she told a news conference that she and Premier Zhu Rongji, Vice Premier Qian Qichen and

foreign minister Tang Jiaxuan also focused on relations with Taipei.

"Clearly in the talks today, Taiwan is very much on their minds," she said.

"What was so evident to me was that they know that this is on the front burner, that this is something that they want to deal with, that they have to deal with — and that the world is watching how they deal with this issue," she added.

Though it had come up on all four of her previous visits as secretary of state, "it is much more acutely central to their thinking at the moment," she added.



Albright: Peace overtures

The US has praised Taiwan's new leader Chen Shui-bian for showing flexibility, seeking a summit or talks at a lower level to end a tense standoff over the island's future.

He has promised not to declare independence — a move Beijing has said it would meet with force — and talked vaguely of "one China" at some point

in the future. The US has said it will not act as a broker in any talks between Beijing and Taipei but has urged they go ahead at a level to be decided by the participants. Albright said she had also discussed overtures by reclusive

North Korean leader Kim Jong-il, who made his first known foreign trip in 17 years to Beijing last month, and hosted a landmark summit with Kim Dae-jung.

"Both our governments welcome the historic summit," she said, adding that she had gained an impression that the North's leader was jovial and forthcoming, in contrast to perceptions of a man Washington has labelled a terrorist mastermind.

She said they had also discussed Washington's plans for a National Missile Defence which Beijing fears could neutralise its tiny nuclear arsenal. But she said the Chinese were more concerned about Theatre Missile Defence — a reference to a system being developed jointly by the US and Japan.

THE TELEGRAPH

THE TELEGRAPH

7 3 2000

U.S. does not support Taiwan's independence, says Albright ⁹⁻¹⁷ _{AYU}

BEIJING: U.S. secretary of state Madeleine Albright concluded her whirlwind tour of China on Friday after assuring Beijing that the U.S. does not support Taiwan's independence.



M. Albright

"The U.S. government does not support Taiwan's independence, one China, one Taiwan and Taiwan's membership in international organisations is open only to sovereign states," the state-run Chinese media quoted Ms Albright as telling Chinese President Jiang Zemin during a late-night meeting on Thursday. ^{29/6}

"The U.S. understands the importance and sensitiveness of the Taiwan issue," she said. "The U.S. remains committed to a "one China" policy, the peaceful resolution of differences between China and Taiwan, and resumption of cross-strait dialogue.

The recent election of the President of Taiwan may provide new opportunities for dialogue, but it is up to China and Taiwan to choose the level and channel for talks, she said.

At the same time, she said she urged Chinese leaders to be flexible and hold talks with Taiwan's new administration. But, China is insisting that Mr Chen should acknowledge the principle of one-China before the two sides could agree on dialogue or a summit meeting. (PTI)

THE TIMES OF INDIA

24 JUN 2000

EAST WEST

The Twain Do Meet

GLOBALISATION began a lot earlier than we think, and took unsuspected routes. We are accustomed to think, for example, of capitalism and free-market philosophy as Western inventions, later transplanted in, or imposed on, Asia. The British philosopher John James Clarke, however, has traced the founding principles of free market economics to the *Tao Te Ching*, the work of Chinese philosopher Lao Tze.

Adam Smith, whose *Inquiry into the Wealth of Nations* is generally credited with establishing free market principles, was inspired by the work of French physiocrat Francois Quesnay, who believed that governments should not interfere in the operation of natural economic laws. Quesnay was responsible for coining the term *laissez-faire*. He was also extraordinarily impressed by reports emanating from European travellers in late Ming and early Qing China. The latter found a money economy, flourishing trade and commerce due to the enjoyment of economic freedom, relatively large-scale mercantile and industrial enterprises, many of the latter under private ownership.

CHINA

According to historian Fernand Braudel, Europeans "looked on helplessly at the piles of goods out of their reach" in Chinese markets. The Chinese told their guests that the state followed a Taoist principle whereby a wise ruler knows that the best way to rule is by doing nothing. Quesnay was so inspired by Chinese ideas that he came to be known as the "European Confucius", although "European Lao-Tze" might have been more appropriate.

Upto the time of Voltaire, China was known in Europe as having adopted a rational model of governance, to which could be attributed its economic prosperity. The Chinese may have invented capitalism, or at least a kind of proto-capitalism, before the technology of print and its offshoots, science and the nation-state, enabled Europe to pull ahead. Perhaps this is the reason why even under a state philosophy as antithetical to free market principles as Marxism, the Chinese have rediscovered their suppressed entrepreneurial energies since the 1980s. Hong Kong and Taiwan, civilisationally Chinese but outside the Marxist ambit (at least, till very recently) have used trade and capitalism to turn into economic powerhouses; Hong Kong's per capita income now outstrips that of the UK.

It must be reckoned one of the ironies of history that China was conquered in the second half of the 20th century by Marxism, a philosophy of European provenance. According to a famous formula, Marxism is supposed to have inverted Hegelian philosophy: instead of matter being subsumed within Spirit, as Hegel supposed, consciousness is now presumed to be determined by the material,

The author is Assistant Editor, The Statesman.

By SWAGATO GANGULY

economic base. This is a useful heuristic tool with sweeping explanatory power, which has been usefully applied in various disciplines of 20th century thought, and become part of the commonsense of our times.

But to up-end a philosophy is not to move beyond its terms of reference, and Hegel was a notoriously Eurocentric philosopher. It is striking how closely Marx followed Hegel in describing Asian societies. For Hegel, Asian societies, particularly India but also China,

images of a static India that was "outside history" were also adopted by Indian nationalists, but they were revalued. Thus, according to Gandhi, "India remains immovable and that is her glory" (*Hind Swaraj*). In this reinterpretation, India's unchanging character and lack of participation in historical process is a mark of her ancient spirituality. India is supposed to have consisted of self-sufficient and self-contained villages, without trade and political exchanges with each other or with centres of power, the latter being ephemeral to Indian history since they played simply a parasitic role.

This romantic view, adopted by savants of Indian nationalism such as Gandhi and Tagore, was meant to evolve an absolute distinction between power and spirituality. Gandhi successfully turned this notion into a tool for political mobilisation, telling villagers that they were the soul of Indian civilisation, who should turn against the urban centres which were

touched by Westernisation and had Mammon as their presiding deity.

While Gandhi may have been a great political strategist, he was not in the same league as an economic thinker.

CONFIDENCE

His views on machinery and industry, for example, seem in retrospect a perfect prescription for the licence *raj*: "We cannot condemn millowners ... It would be too much to expect them to give up their mills, but we may implore them not to increase them. If they would be good they would gradually contract their business."

Since independence and into the nineties, India's share of world trade has contracted. Independent India suffers from a lack of confidence in its ability to take on the world, not just because of Eurocentric images of Indian history, but also because of a nationalist fixation on Indian spirituality which neglects India's past as a great trading power. Both the *swadeshi* Right and socialist Left are inheritors of this mindset.

President Narayanan takes the pedestal on Republic Day to warn against consumerism, in a nation where per capita consumption is among the lowest in the world. The recent move to ease curbs on repatriation of profits by foreign firms investing in India in 22 consumer sectors evinces howls of protest from the SJM, the RSS, the CPI, the CPI-M. Strangely, there is less protest at liberalisation of import of consumer goods, where profits will be repatriated as well, but without the creation of infrastructure or employment in India. Both moves, however, will have the positive outcome of making Indian industry more competitive.

India need not be afraid of trade. Chinese civilisation is now reasserting itself entrepreneurially, having gotten over its Maoist interlude. India now needs to get over its Nehru-Gandhi interlude in economic policy, biased against trade and markets. The history of Indian civilisation does not suggest that it is incapable of rising to the challenge.



were "static": they lacked the dynamism and progress observable in European history. This was also the outlook of India's British rulers: their presence was necessary for progress and civilisation in India. As a radical thinker, Marx felt considerable sympathy for colonialism's victims. Nevertheless, he postulated an "Asiatic mode of production", which was unique among modes of production in that it is not subject to change, but could carry on indefinitely unless broken down by an external force such as colonialism. This amounts to a restatement of Hegel in economic language. It follows that colonialism is necessary to put derailed Asian societies back on the tracks of history: "whatever may have been the crimes of England she was the unconscious tool of history in bringing about a revolution".

NATION

It is arguable that what India lacked during the 18th century was any sense of being a nation, which allowed the British to set native rulers and principalities against one another and effect a creeping annexation of the nation. Nevertheless, India during the Mughal empire had crafts, industry, sophisticated markets, credit and capital. For more than a millennium, India had intensive trading links with China and south-east Asia; the great monuments at Borobudur and Angkor Wat and the circulation of legends from *Ramayana* and *Mahabharata* in the Far East are evidence of this.

For a long time the Indian textile industry was the most advanced in the world; "calicoes" or printed fabrics produced in India swept markets in England, France and Holland with the opening of sea routes during the 17th and 18th centuries, putting local weavers and textile workers in trouble. In terms of trade and technology, India was second only to China as a trade and economic superpower in Asia, with south-east Asia a relative backwater.

Hegel and Marx's misleading

Taiwan olive branch to

China

ASSOCIATED PRESS

TAIPEI, May 5. — Seeking to ease tensions with China, Taiwan's next government will abandon the claim that dealings between the two must be characterized as "special state-to-state relations," officials said today.

Two weeks before the President-elect, Mr Chen Shui-bian, takes office, the incoming chairwoman of the Mainland Affairs Council said Taiwan will stop using the "state-to-state" wording that had infuriated China and stirred a crisis last summer.

When the President, Mr Lee Teng-hui, used those words, Taiwan was only seeking to be China's equal in negotiations, but Beijing misunderstood it as a declaration for Taiwan's formal independence, said Ms Tsai Ying-wen, who will handle Taiwan's relations with China after Mr Chen is sworn in on May 20.

But dropping the wording that offended Beijing will not change the status quo — that Taiwan and China now are governed separately and Taiwan wants to be treated equally in any talks about their relations, Tsai said.

Tsai's conciliatory remarks came amid signs that the long-time rivals were seeking to improve relations although Beijing deeply distrusts Mr Chen, who formerly was a vocal supporter of independence.

Beijing had no immediate reaction to Ms Tsai's comments.

THE STATESMAN

36 MAY 2000

Koreas differ over summit agenda, size of press corps

PANMUNJOM (Korea): Envoys from South Korea and North Korea on Monday disagreed on the agenda and the size of the press corps that will cover a June summit of their leaders, South Korean negotiators said.

South Korea had hoped to wrap up a deal setting the stage for the summit, but the two sides instead held a full day of talks punctuated by frequent recesses. It was their fourth and longest meeting.

South Korea had wanted the agenda to list economic aid, the reunion of separated families and

other topics. But Seoul officials later said privately they were willing to yield to the North's demand for a broadly-worded agenda that extolled the goals of peace and reunification. "As to the agenda, the only remaining problem is the expression of its language," said Yang Young-shik, the top South Korean delegate. He did not elaborate.

Another South Korean envoy said on condition of anonymity that press coverage was also an issue. South Korea has proposed sending an 80-member press delegation, while the North wants a number half that size. The North also opposes allowing the South Koreans to

use their own satellite broadcasting equipment.

The June 12-14 summit between South Korean President Kim Dae-jung and North Korean leader Kim Jong Il would be the most important diplomatic breakthrough in a half century of confrontation. The Koreas were divided into the communist North and the pro-Western South in 1945. They did not sign a peace treaty at the end of the 1950-53 Korean War.

The meeting Monday was held in the northern sector of Panmunjom, a border village inside the demilitarised zone separating the Koreas. South Korea requested that the two

sides hold another meeting on Tuesday, but North Korea said no. "Both sides need time to consult with higher authorities on important issues," Mr Yang said.

South Korea wants to use the summit to establish a durable peace on the Korean peninsula. For impoverished and isolated North Korea, it is an opportunity to extract economic aid from its rich neighbour. In a gesture apparently designed to speed the negotiations, South Korea on Saturday announced plans to donate 200,000 tons of fertiliser worth \$56 million to North Korea by June. Shipment will begin this week. (AP)

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INDIA

10 MAY 2 1994

China's latest missile: Taiwan vice-president is a 'scum'

AGENCIES
TAIWAN, APRIL 9

CHINA stepped up its war of words with Taiwan on Saturday as the mainland's state media and leading policy organs on reunification blasted Taiwan's Vice President-elect Annette Lu as a separatist and "the scum of the nation". The attack came a day after China's cabinet vilified Lu as an "extremist".

A joint statement issued by the Taiwan Affairs Office of the State Council and Taiwan Work Office of the Chinese Communist Party harshly criticised the Harvard-educated lawyer's remarks on Taiwan 'independence', made during an interview with the Hong Kong media. Lu "has challenged the 'One China Policy' and has provoked animosity between the people on both sides of the Taiwan Straits," Xinhua news agency said, quoting the statement that appeared in all major dailies on Saturday. This shows that Lu is an "extremist and a typical 'Taiwan in-



Taiwanese Vice President-elect Annette Lu with President-elect Chen Shui-bian — AFP

dependence' element... In fact, she has become the scum of the Chinese nation," the statement said.

Lu, a member of the pro-independence Democratic People's Party, was elected with Taiwan's next President, Chen Shui-bian, in the March 18 polls. Since then, she has pledged to continue Taiwan's efforts at gaining admission to the

United Nations.

The blunt attack against Chen and his independence-leaning Democratic Progressive Party six weeks before its May 20 inauguration ends a moderate stance that had won China international praise since last month's Taiwan elections. The harsh new attacks give fresh ammunition to critics of Beijing in the debate in the US Congress over whether to grant China permanent normal trade relations status as part of the country's accession to the World Trade Organisation.

Saturday's harsh language was also largely seen as a clear attempt to push Chen towards a more flexible position than his predecessor, outgoing President Lee Teng-hui, who had been labelled by the Chinese press as "a sinner for a thousand years" and "a China raper". It was also clear that Beijing intended to show the domestic audience that its post-election silence was not a sign of weakness.

To further step up pressure on Taiwan, China also warned the US

on Thursday that bilateral ties between them could seriously suffer following Washington's decision to sell advanced weapons to Taipei. The state media reported that Chinese Vice Foreign Minister Yang Jiechi summoned James Moriarty, an official with the US Embassy in Beijing, to his office and lodged a strong protest against the US decision. During the rule of the Kuomintang, which ended with the DPP's landmark victory, Lu had spent five years in a Taiwan prison for her opposition to the then ruling party. China has demanded that the newly elected Taiwan leaders commit to Beijing's definition of 'One China' if the rebel province hopes to see angry sabre-rattling by the mainland subside and peaceful dialogue take place.

Chen has called for dialogue aimed at ending the state of hostilities between the two sides, but has only committed to discussing 'One China' with the mainland in an effort to reach an understanding on Beijing's demands.

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INDIAN EXPRESS

10 APR 2000

Kim's sunshine policy pays off

By F.J. Khergamvala

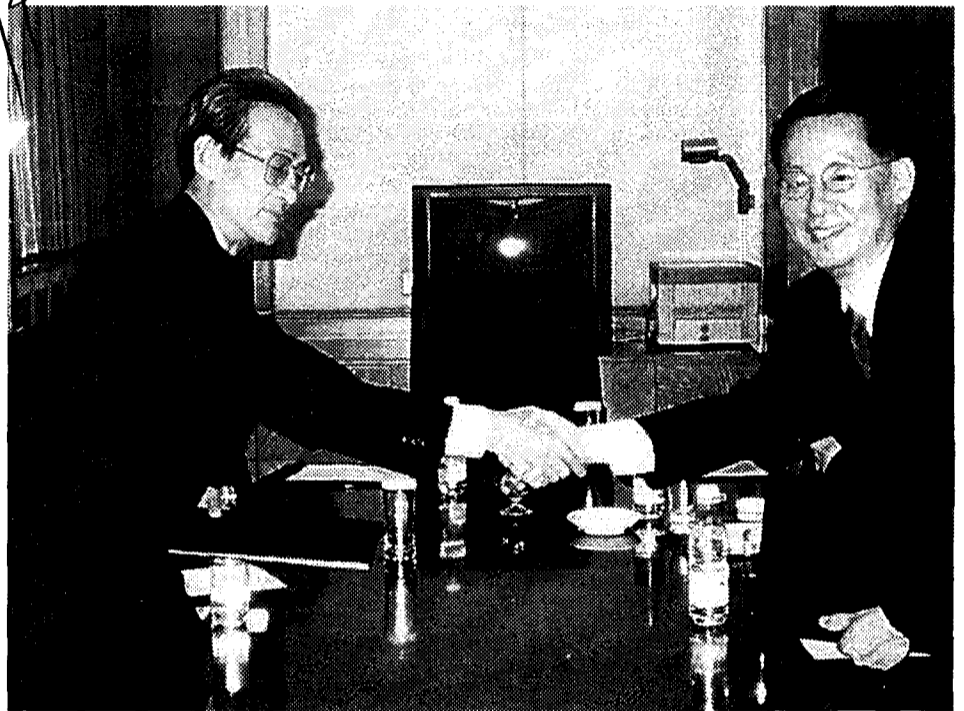
TOKYO, APRIL 10. The North Korean leader, Mr. Kim Jong Il and the South's President, Mr. Kim Dae Jung are to meet in mid-June for a first-ever Korean summit meeting that suggests that the two Governments wish to impart a momentum to the ongoing private-level contacts between the two parts of the divided nation.

North Korea's Central News Agency announced on Monday that Pyongyang had agreed to a request from the South to hold the summit in Pyongyang. The South Korean Unification Minister, Mr. Park Jae-kyu, told a news conference in Seoul today that the summit schedule was arranged after the two Koreas had met in Beijing and Shanghai. Later this month, both the Koreas will meet to discuss details.

Japan joined the U.S. and Russia in welcoming the announcement. The Foreign Minister, Mr. Yohei Kono said if the summit was actually held, it would be "epoch making." The planning of a North-South meeting has been in the news all of last week. To that extent the meeting is not a surprise, but it is historic. The schedule is a resumption of the summitry planned six years ago, in 1994 when Mr. Kim Jong Il's father, Kim Il Sung was to meet Mr. Kim Young Sam of the South, but the event could not come off because of the sudden death of Kim Il Sung.

Any chance of the elder Kim's son inheriting a then planned summit was scuttled by the then South Korean leader, Mr. Kim Young Sam, under pressure from conservatives. This former South Korean President persecuted mourners of Kim Il Sung and that did not leave any avenue open for the North. The thawing that led to the upcoming summit was due in part to Mr. Kim Dae Jung and also to the severe recessionary state of the South Korean economy, which became Seoul's primary concern.

The timing of the summit leads one to at least two tentative conclusions. That Mr. Kim Jong Il has now consolidated his power sufficiently to take bold initiatives. Alternately, he has agreed to the summit because behind the scenes the U.S. had set certain conditions for aid and normalising ties. The second conclusion perhaps negates this arm-twisting scenario. The timing is clearly to the advantage of Mr. Kim Dae Jung of the South. Later this week, South Korea holds legislative elections.



South Korea's Unification Minister, Mr. Park Jae-kyu (right), shakes hands with a senior North Korean officer, Mr. Song Ho Kyung, after signing an agreement on Saturday on the first summit talks between the two rival states since the division of their peninsula. — AP

It is clearly to the advantage of Mr. Kim Dae Jung to show that his "sunshine policy" is paying off. The sunshine policy emphasises vigilance coupled with wide engagement with North Korea. The fact that Mr. Kim Jong Il has agreed to cooperate with Mr. Kim Dae Jung in showing that the "sunshine" policy works, is a strong suggestion that Pyongyang was not under duress while agreeing to hold the summit. It now remains to be seen how the South Korean electorate reacts when it votes.

At the very least, unless the meeting breaks up in confrontational acrimony, the summit should have a positive spin-off for the North. Pyongyang has, quite rapidly by its standards, been developing its contacts with the outside world, notably the West and pro-Seoul governments. The latest is that Japan and South Korea are supportive of Pyongyang's efforts to join the Asia-Pacific Economic Cooperation Forum (APC). It should not be surprising if the

North is admitted with guest status, to begin with, as a symbolic gesture drawing it out of a state of isolation.

The North has begun building or reinforcing bridges with Australia, Italy, Indonesia and started normalisation talks with Japan. Additionally, it has moved quite far in scheduling a high-level visit to Washington DC, in a move that should result in the lifting of some sanctions and an opening of liaison offices as decided in the 1994 agreed framework between the two countries. Some of the North's efforts have been at the quiet urging of Beijing, which too has finally begun exchanging high-level visits with Pyongyang.

There is bound to be strong opposition to the new development in both the Koreas. The anti-Kim Dae Jung opposition in Seoul is using this as a platform to sell the argument that the President has "sold out."

THE HINDU

11 APR 2000

China warns Taiwan against independence

BY ELAINE KURTENBACH

Beijing, April 9: Calling Taiwan's vice president-elect the "scum of the country" and an incurable separatist, China on Saturday renewed its warnings against moving toward independence.

The harsh rhetoric China unleashed Saturday contrasted with the wait-and-see stance it has adopted since a March 18 vote forced out the Nationalists who had ruled Taiwan since they fled the mainland amid civil war 51 years ago.

Annette Lu, the vice president, and President Chen Shui-bian have said they support a formal declaration of independence for the island only if Beijing attacked.

But Ms Lu has harshly criticised China for threatening to use force to assert its claim to Taiwan. She said she supports assertive diplomacy by Taiwan to counter Beijing's attempts to isolate the island.

The warnings Saturday coincided with a report by a Chinese-backed newspaper in Hong Kong, the Wen Wei Po. It reported that China's People's Liberation Army has sent more troops, including a missile unit, for duty rotation in Fujian province, which faces Taiwan.

China's comments came in a statement from its Taiwan Affairs

Office, a body within the State Council, or Cabinet. It accused Ms Lu of provoking "animosity between the people on both sides of the Taiwan Strait" with comments to Hong Kong media suggesting the two sides have grown apart.

The statement accused Ms Lu of using talk of threats from Beijing to incite Taiwanese against unification with the mainland.

"She uses poisonous words plotting to incite Taiwan comrades to hate their compatriots on the motherland," an accompanying commentary by Xinhua said. "This reveals again that she is an extreme, incurable 'Taiwan independence' element."

China deeply distrusts Chen, who is to take office on May 20, because his Democratic Progressive Party favours formal independence. A former political prisoner, Ms Lu was an outspoken supporter of Taiwan independence but has become more subdued in her criticism of Beijing as part of her party's policy to avoid provoking China.

Responding to the Chinese statement, Ms Lu said the Beijing leadership was so shocked by the election outcome that they were left without a response and could only recycle "outdated schemes" to try and divide Taiwan's leadership. (AP)

'If China uses force, Taipei will be free'

Washington, April 9: Taiwan's President-elect Chen Shui-bian will not call a referendum on independence from China, and would declare independence unilaterally only if China invaded the island or used force, according to a *Newsweek* report to be published tomorrow. Mr Chen, who will be sworn in as President on May 20, told the weekly magazine he advocates "the right to self-determination" for Taiwan.

Mr Chen also said if China insists on "one China," defining Taiwan as part of the people's republic, that would make it hard for Taiwan to restart dialogue with China.

"This is not acceptable to the vast majority of people in Taiwan. How can they (China) expect me, as President of this country, to accept Taiwan's demotion in status to a province?"

The president-elect, of the pro-independence Democratic Progressive Party and winner of the March 18 election, will be Taiwan's first opposition President. (AFP)

THE ASIAN AGE

30 APR 2000

Koreas agree on summit in June

By Harvey Stockwin
The Times of India News Service

HONG KONG: North and South Korea have agreed to commemorate the 50th anniversary of the beginning of the Korean war in the best possible way — by holding their first-ever summit between June 12 and 14 in the North Korean capital, Pyongyang.

The agreement to hold a meeting between South Korean President Kim Dae Jung and North Korean leader Kim Jong Il was simultaneously announced in Seoul and Pyongyang on early Monday morning, after some clandestine diplomacy between the two rivals.

The summit, which will be the first to be held between the two Koreas since the peninsula was divided between the Soviet Union and the United States in 1945, offers the prospect of diminished tensions in Asia's most vexed and enduring trouble spot. It offers 60 million Koreans the emotional prospect that moves will at last begin towards reunifying their people and their nation. Nearly two million heavily-armed troops from the two Koreas, plus 37,000 Americans, still face each other across the four-mile wide demilitarised zone created by the Korean armistice signed in July 1953.

The armistice stipulated the further negotiation of a peace treaty but no such treaty has ever been agreed, and the two Koreas are still technically in a state of war which began on June 25, 1950 when North Korean troops invaded the South. But the two Koreas did negotiate a non-aggression pact in 1992 which, however, was ignored by the North almost as soon as it was signed.

Immediate diplomatic reaction to summit is to welcome it but to add the phrase "if it takes place", indicating that there are many reasons for scepticism. For one thing, differences in attitude were evident in the way the two Koreas announced the summit. In the South, it was stressed "that the summit will take place in the form of Kim Jong-Il inviting President Kim Dae Jung". In the North, the announcement said that the summit takes place "at the request of President Kim Dae Jung". The South, in other words, implied that the North has recognised the government in Seoul, whereas the North implied that President Kim has recognised the pan-Korean supremacy of the Northern regime.

Indicating the many difficulties that have yet to be overcome, the North's statement on Monday was the first time the official Korean Central News Agency (KCNA) had given Kim Dae Jung his official title. Normally the North's unceasing anti-South propaganda refers to President Kim anonymously as the

South's "chief executive".

If the summit takes place, it will be a case of third time lucky. Former North Korean President Kim Il Sung responded to former South Korean president Roh Tae Woo's calls for a summit by suggesting that Roh come to his 70th birthday celebrations. But the meeting never took place not least because Kim's suggestion implied too much deference on the part of the South.

Then in 1994, former US president Jimmy Carter helped to initiate moves for a summit between President Kim Il Sung and the then South Korean president, Kim Young Sam. Arrangements were being made for the summit but then Kim Il Sung suddenly died, and the summit plans died with him.

Kim Jong Il has inherited leadership of the only communist personal dynasty but, if anything, he has been even more reclusive than his father. When it comes to meeting foreign dignitaries, the speaker of the North Korean Parliament Kim Yong Nam

acts as the ceremonial head of state. If the summit takes place, it will be the first known time that Kim Jong Il will have met the leader of another state. He will meet President Kim in his capacity as general secretary of the Korean Workers Party and chairman of the North Korean National Defence Commission.

It is known that China has been pressing Kim Jong Il to visit Beijing but he has not responded to this suggestion, as far as is known.

The announcement of the summit naturally arouses scepticism in the South, coming as it does four days before voting in South Korea's parliamentary elections. President Kim Dae Jung and his Millennium Democratic Party (MDP) have been seeking to use his "sunshine policy" of greater openness towards North Korea to electoral advantage. The summit announcement appears to be a North Korean response to a statement made by President Kim in Berlin last month calling for a summit.

THE TIMES OF INDIA

72 APR 2000

Jiang tough talk on Taiwan

PRESS TRUST OF INDIA

BEIJING, April 11. — The Chinese President, Mr Jiang Zemin, today asserted that independence of Taiwan will never be allowed "in any form" and said Beijing will not forgo the military option to retake the rebel island.

"Under the one-China principle, we can discuss whatever topics (with Taiwan). But we will never promise not to use force, and we will never allow Taiwan independence in any form," Mr Jiang said, according to official Xinhua news agency.

Briefing visiting Singaporean Prime Minister, Mr Goh Chok Tong, on the vexed Taiwan issue, Mr Jiang maintained that Beijing's principled policy in resolving the Taiwan issue has remained unchanged — "peaceful reunification and one country, two systems".

THE STATESMAN

12 APR 2000

HD-16
12/4

Singapore, China to step up cooperation

E Asia ✓

By P. S. Suryanarayana

SINGAPORE, APRIL 11. Singapore and China today agreed to "enhance coordination" in the political sphere besides seeking to "promote new forms and areas of cooperation in the fields of trade, investment and human resource development." Other aspects of their "commitment" to "explore new areas of collaboration" would encompass the promotion of "security cooperation" too.

China, which had in the recent past pledged intensive cooperation with several South East Asian States in the 21st century, today spelt out the contours of its relationship with Singapore in a Joint Statement that was issued after the talks in Beijing between the City-State's Prime Minister, Mr. Goh Chok Tong, and the Chinese President, Mr. Jiang Zemin, as also the Prime Minister, Mr. Zhu Rongji.

Although neither China nor Singapore described the Joint Statement as a new charter of cooperation in the 21st century, in some contrast to the stated political complexion of an accord signed by Beijing and Bangkok nearly a year ago, the document

was designed to "build on the strong foundation" of "excellent bilateral relations" between this City-State and the fast-changing communist giant.

Mr. Goh focused much attention on evolving new linkages between Singapore and China in the information technology and communications sectors, with particular reference to human resources development, in much the same way as he had earlier sought collaboration between his country and India's IT professionals. The City-State's accent on knowledge-based economy and China's bid to hit the fast track to globalisation determined the depth of their latest bilateral accord.

On the political side, China and Singapore called for regular exchanges of visit by their top leaders and annual consultations by their Foreign Ministries for a dialogue "in a timely fashion" on issues of common interest including those pertaining to regional and global organisations.

The economic dimension of the Statement was spelt out as follows: "The two Governments will encourage direct cooperation between enterprises of the two sides

and explore collaboration beyond their respective domestic markets." Beijing, it was noted, "welcomes Singapore enterprises" to "participate, through investment, in the development of China's western region" and to "explore cooperation in such fields as infrastructure and communications."

About "security cooperation," it was said that this would be accomplished "by facilitating exchange of high-level visits" and "dialogue between defence institutions" on both sides. Other identified steps in the defence sector were cooperation between "strategic security research institutes" as also "exchanges between professional groups of their armed forces." Port calls were also cited as an additional parameter of cooperation.

The document outlined areas of interaction in regard to education, culture, environment as also transport and info-communications. The plenitude of the Joint Statement lent it a distinctive political complexion of particularly close ties with much promise of enhanced interaction, according to diplomatic observers.

12 APR 2001

N. Korea sustains cold war hostility

By Harvey Stockwin

The Times of India News Service

HONG KONG: While South Korea has greeted the news of the June North-South summit with renewed optimism, the strictly controlled press in North Korea continues to attack the South in cold war terms.

"We hope that the (summit) meeting will provide an opportunity for the two leaders to discuss peace and co-operation and the future of the Koreas in a frank and open-minded manner," South Korean unification minister Park Jae Kyu told the press after the agreement was announced, adding "we hope that the meeting will dismantle the hostile Cold War structure on the peninsula and serve to open an era of reconciliation and cooperation, thus drawing an epochal line in the history of division".

Taking that thought one stage further, the English-language *Korea Herald* on Tuesday suggested that "the historic meeting" in June "is certain to lend decisive momentum to the

drive to eradicate the last vestiges of the Cold War". The paper's report looked forward to "the unprecedented talks", providing "opportunities for massive economic co-operation projects between Seoul and Pyongyang".

But a perusal of the North Korean media most easily available to the outside world, the Internet website of the official Korean Central News Agency (KCNA), quickly revealed that Cold War hostility towards the South is still flourishing in North Korea.

So far, KCNA has merely reported the agreement on the summit "arranged at the request of (South Korean) President Kim Dae Jung", but has withheld all comment. South Korean papers on Tuesday reported that President Kim Dae Jung would be going to Pyongyang in June "at the invitation of (North Korean leader) Kim Jong IL".

The South hailed the summit as a clear success for President Kim's "sunshine policy" towards the North. But as recently as April 6,

KCNA derided the policy saying "it is a well-known fact that the 'sunshine policy' on the lips of the South Korean authorities is a policy of 'confrontation and war'".

The article, an attack on what the South Korean ambassador had said in a Russian newspaper, concluded by asserting that "the South Korean rulers should stop all their vicious moves to deceive and flout people and hide their preparations for a war of aggression against the North".

On April 1, KCNA reported that the official newspaper of the North Korean Workers Party, the *Rodong Simun*, had editorialised that "the South Korean authorities' madcap moves are a challenge to the peace-loving and sincere efforts of the North to prevent the danger of military clash and war at the West Sea, and ensure peace and security on Korean peninsula, and an unpardonable criminal act to lead the inter-Korean relations to an extreme pitch of tension."

THE TIMES OF INDIA

13 APR 2002

North, S. Korea summit a sign of easing tension

By Jai Taraporevala

MUMBAI: The announcement that the leaders of North and South Korea are to hold their first ever summit meeting in June, marks another tangible sign of tensions easing between the two nations. Both sides have strong reasons to initiate a dialogue at the highest level.

The mounting economic hardships in North Korea and the realities of the post-Cold War world are the primary factors that have

prompted that country's leader, Kim Jong Il, to agree to hold the summit at this juncture. For President Kim Dae Jung of South Korea, an improved relationship with Pyongyang is welcome as it would be a means of moderating the latter's policies.

NEWS ANALYSIS

Although the significance of the summit cannot be exaggerated, several obstacles will have to be overcome before a significant breakthrough can be achieved.

After all, the armed truce which ended the Korean War in 1953 still exists. As a result, the two sides are not formally at peace with each other and the 38th Parallel, which marks their common frontier, serves as a visible reminder of the differences that persist. Given the legacy of years of mutual suspicion, both nations will want to proceed with caution.

The leadership in North Korea must be aware that any rapid move

down the path of reconciliation could, in time, create a demand for substantial liberalisation within the country — which it would evidently be anxious to avoid for the sake of its political survival. On its part, the government in South Korea is unlikely to want to rush the negotiations, partly as a tactical means of seeking greater concessions from the North and partly to ensure that it is not pressured by events into committing more economic assistance than what it can prudently afford.

Apart from the dynamics of these bilateral factors, much will hinge on the personal chemistry between the two Kims and the subtle, behind-the-scenes role played by China and the United States.

Therefore, at least to begin with, the thrust of the discussions will be on evolving confidence-building measures and forging better economic ties rather than on addressing the vexed political issues that divide the countries.

THE TIMES OF INDIA

15 APR 2005

Snatch freedom if you can, China army tells Taiwan

PRESS TRUST OF INDIA

BEIJING, April 15. — The Chinese People's Liberation Army today warned Taiwan's new leadership that their attempt to gain independence would end in war and disaster for Taiwan.

"Taiwan independence means war," PLA's mouthpiece, The Liberation Army Daily, said warning the pro-independence Taiwan leaders, who won the 18 March polls in the island. China views it as a rebel province that must be reunified with the mainland at an early date.

"Annette Lu, Taiwan's Vice-President elect, takes for granted that the Taiwan election can change the reality that Taiwan is a part of China, and yet she has ignored the fact and is pursuing a road to Taiwan independence that leads to a dead end," the daily

said.

It warned that anyone who did not pay heed to this "important information" and insisted on Taiwan independence, would push into the abyss of war. "We warn anyone who advocates Taiwan independence, including Lu, that the outgoing Taiwanese president Lee Teng-hui's separatist stance will lead to a dead end," the daily said slamming Lu's recent pro-Taiwan independence remarks.

It noted that Ms Lu's fallacious remarks had the same aim as Hui's "state-to-state relations" remarks, both attempting to challenge the one-China principle.

In an interview given to a Hong Kong cable TV, Ms Lu openly supported independence for Taiwan, saying "no one can deny Taiwan has independent sovereignty."

The relationship between the

mainland and Taiwan is historically one of "distant relatives", and geographically they are nothing more than "close neighbours", she said.

The PLA mouthpiece reacted strongly saying: "If Ms Lu and other people who share her beliefs underestimate the Chinese people's determination and the PLA's strength to resolve the Taiwan issue and put the welfare of the 23 million Taiwan people at stake, the consequences will be disastrous."

"Anyone with knowledge of Chinese history knows that Taiwan is an inseparable part of China, and Taiwan compatriots are family members of the motherland.

Taiwan people are Chinese and the people at the two sides of the Taiwan straits belong to one family — they are not merely relatives or neighbours," stressed the article.

THE STATESMAN

16 APR 2000

South Korea moves towards

A two-party system

11-10 16A

Harvey Stockwin

The Times of India News Service
HONG KONG: After a fiasco with faulty exit polls, South Korea's parliamentary election result moves the nation closer to a viable two-party system.

But the newly-elected and almost evenly divided National Assembly will force President Kim Dae Jung to now invest a lot of precious time in political manoeuvres, with the future of his reform programme seeming uncertain as a result of the poll.

As Koreans went to bed last Thursday many of those getting their news from television assumed that President Kim, popularly known as DJ, and his Millennium Democratic Party (MDP) had won a notable, even a sweeping, victory. The next morning, the National Election Commission announced that the Grand National Party (GNP), which had been the ruling party for recent presidents prior to DJ's accession to power, had increased its strength as the largest party in the assembly, even though it failed to secure a simple majority.

The reason for all the wrong assumptions the previous evening was the use and abuse of exit polls by at least three South Korean tele-

vision channels. On the one hand, the exit polls carelessly conducted by the TV stations failed to take the diversity of the electorate fully into account.

On the other hand, the exit pollsters also failed to note the well-known East Asian tendency to tell pollsters what they want to hear—in this case, that the respondent voted for the government, even if they voted for the opposition. So, while exit polls are frequently used in the U.S. to announce results well in advance of the official count, in East Asian democracies, it is unwise to do this.

The result left a South Korean political paradox persistently in place: the political party with the most seats remains "the opposition," while "the ruling party" does not have a majority. Yet both the GNP and the MDP made gains over their relative positions in the dissolved Assembly. The GNP won in 112 out of 227 constituencies and garnered 21 out of 46 positions awarded according to proportional representation for a total of 133 seats, four short of a simple majority.

President Kim's MDP won in 96 constituencies and in 19 PR seats for a total of 115. While both the GNP and MDP could claim they won, the main loser was the former

coalition partner of the MDP, the United Liberal Democrats (ULD) led by former prime minister Kim Jong Pil. The ULD sank from 51 seats in the old assembly to winning only 17 seats.

Four independents were elected from DJ's home Cholla region and are considered certain to support the MDP. Given all the inner tensions an assembly breakdown of 137 for the opposition GNP, and 136 for the ruling MDP is quite possible. But DJ just might squeak home by 141 to 133 if he can win over all the eight.

Thus the prospect is for a lot of political backroom dealing and horse trading, which could end up giving South Korea its first effective two-party system. The GNP has already warned DJ not to seek to win over a majority, no doubt because it fears he will do just that, given that the powers of presidential incumbency are on his side. DJ is certain to strive to avoid becoming a premature lame-duck.

The alternative would be for DJ and the MDP to seek consensus with the GNP on key policies and parliamentary votes. Given the intensely competitive election campaign, this appears to be the least likely option.

Chen will be sworn in as Taiwan President today

By Harvey Stockwin
The Times of India News Service

HONGKONG: As Chen Shui-bian is sworn in on Saturday as the second elected President in Taiwan's history, he will also be the first opposition leader ever to be elected as head of the government in the whole of Chinese history.



Chen Shui-bian

As events unfolded this month, Taiwan and Russia have both made a significant break with their past. For the first time in Russian history, there was a peaceful transfer of power as a result of the ballot and not the bullet when President Vladimir Putin was sworn in as head of the Russian Federation. The same can be said of China as a result of President Chen Shui-bian now being sworn in as the head of government for the Republic of China.

Further, one essential ingredient in the situation is the same in both cases. Less than a year ago, as then President Boris Yeltsin's health continued to deteriorate, fears were commonplace that Russia and its democracy might flounder as Mr Yeltsin, the man who destroyed the Soviet Union, clung on to power with the same single-mindedness as the communists whom he ousted. It didn't happen. Mr Yeltsin handed over power in time to Mr Putin who, initially at least, judged by recent decisive votes going his way in the Russian Duma, is better able to work Russian democratic institutions than Mr Yeltsin ever did.

Similarly, less than a year ago, fears were still being voiced in Taipei that Taiwan and its democracy might be in danger if President Lee Teng-hui clung on to power with the same single-mindedness that characterizes the rulers in Zhongnanhai, the Chinese leadership compound in Beijing. But in the end there was never any question of Mr Lee running again for President.

Mr Yeltsin and Mr Lee were both democratic reformers with a strong authoritarian streak. Both could have argued that the current constitution of their respective countries

allowed for two presidential terms, and that they only had one term, under that amended constitution. It is a credit to both that neither chose to make this dubious distinction.

It is also an additional credit to Lee Teng-hui that he has not used the threats of war and conflict which China was constantly directing at Taiwan to declare a state of emergency and to keep himself in office.

Mr Lee's willingness to let go, and surrender power, is one major reason why Taiwan today is politically stable. But there are many other reasons. There has been a transfer of power to another party. The one party state dominated by the Nationalists (KMT) has been demolished. Taiwanese have seen that their votes can bring about great change. Knowing that he is a minority President, having won only 39 per cent of the vote, Chen Shui-bian has formed a de facto coalition with Nationalist elements, hoping thereby to gain a majority in the parliament in which the KMT still controls a majority of seats.

But Taiwan is now a meaningful three-party state, as a result of James Soong converting his 37 per cent of the vote, in the presidential election, in to support for his new People First Party. President Chen and James Soong could, in future, chose to compete to attract KMT remnants. Alternatively, either the Chen's Democratic People's Party or Soong's People First Party could form a coalition with a revived KMT.

The only certainty is that all parties will try very hard to win as many seats as possible in next year's parliamentary election. The success and the most obvious failure of Taiwan's democratic progress is well reflected in a valedictory opinion poll reported in the *Taipei Times* this week. 73 percent thought President Lee Teng-hui had done a good job promoting democratic reforms. 71 percent liked the way Mr Lee safeguarded Taiwan's sovereignty.

63.5 percent thought Mr Lee had done a good job handling cross-strait relations, whereas 62 percent expressed confidence in the ability of incoming President Chen and Prime Minister Tang Fei to do as well in the same task.

Taiwan: Caught between China and the US

BY DOUGLAS H. PAAL

Washington: The election of Chen Shui-bian as Taiwan's new President has created hopes in Washington for reduced tensions across the Taiwan Strait. But this view is not shared by China's leadership. Washington is now in a quandary, with the Clinton administration seriously divided over how to respond to Taiwan's request for sensitive arms sales in the changed circumstances created by Mr Chen's election and the US presidential campaign.

Mr Chen's victory may not have surprised the Chinese leadership, but it has definitely angered and frustrated them. Worse, from their point of view, he immediately began to make conciliatory gestures which Beijing suspects are devious efforts to mask a final push for Taiwan independence.

Mr Chen has long identified with the Democratic Progressive Party and its constitution, which calls for a referendum on Taiwan's future. No matter what he says now, Beijing will consider him a threat to Chinese ambitions to "reunify" Taiwan with China.

His vice president-elect, Annette Lu, is even scarier for China. It vented its fury by calling her the "scum of the Chinese nation" after she said on Hong Kong television that Taiwan should be only a "remote relative and close neighbour" of mainland China.

Taiwan's neighbours and the US government responded warmly to Mr Chen's post-election moves to reassure Beijing. He readily acquiesced to a request by American special envoy Lee Hamilton that he not try to visit the United States before his inauguration, lest it provoke a strong Chinese reaction.

Washington was not ready for Mr Chen's victory. It had scheduled a meeting with Taiwan defence officials on the future of arms sales for the period between the election and the inauguration, suggesting that American officials expected the long dominant Kuomintang to stay in power. China has good reasons to keep quiet for a few months. First, votes in the US Congress on permanent normal trading relations are still pending. A strong reaction to Mr Chen could cost Beijing needed votes to settle its basic trade relationship with the United States for good, ending the always controversial annual reviews.

Second, Mr Chen's election is a profound defeat for China's policy toward Taiwan. President Jiang Zemin's alternate efforts to be forthcoming and to be intimidating led to the worst outcome that the Chinese could expect. It will take time to absorb the impact of this defeat and to adjust policy to accommodate the new circumstances.

It will take time to deal with pressures within the Communist Party and the military, whose conflicts were evident in the policy paper on Taiwan issued before the election.

Mr Jiang will be looking for enough of a concession on the "one China principle" from Mr Chen to permit renewed talks. Hard-liners will press for a tougher approach and a continued military build-up opposite the island. Both may occur.

Meanwhile, arms sales to Taiwan are becoming a radioactive political issue in this sensitive transition period.

Clinton administration resisted the efforts of Taiwan and Congress to pull Washington into Taipei's corner of the ring for more than five years. It was the Chinese military build-up that forced the White House to contemplate a new round of major arms sales to the island. These could include four destroyers equipped with AEGIS defence systems, long-range radars, PAC-3 missile defences and air-to-air missiles.

The administration must soon decide which systems to approve, knowing full well that Beijing will be forced to react.

US officials would normally be inclined to prevaricate, telling Taiwan that they need more time to judge the situation and hoping that China would not conclude that American knees are weakening. The situation is complicated, however, by the strong desire of a powerful congressional delegation to get the contracts for the destroyers. They are big-ticket items, at about \$1.5 billion each. The shipyards at Pascagoula, Mississippi, and Bath, Maine, do not often get such large foreign orders. The House of Representatives could send to the Senate floor for a vote the Taiwan Security Enhancement Act, if the destroyers are not approved for Taiwan. Beijing, which is strongly opposed to the arms sales, has indicated it would be about equally upset if the act is signed into law. If President Bill Clinton vetoes the bill, having turned Taiwan down on the destroyers, he could then face an ugly fight to override his veto.

Whatever the outcome, it will be an uncomfortable process at a sensitive time. The result is likely to be increasing US diplomatic pressure on Mr Chen to be even more accommodating to Beijing.

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International Herald Tribune

THE ASIAN AGE

THE ASIAN AGE

20 APR 2000

China calls Chen 'insincere'

New Taiwan President walks neutral line

Taipei, May 20 (AP): Taiwan's new leader disappointed Chinese leaders and jittery investors today with his first big speech — an inaugural address that gently rebuffed Beijing's demands that he agree that this island is part of China.

Beijing quickly accused President Chen Shui-bian of being insincere, while stocks plunged more than 3 per cent amid worries the speech would not create a long-desired breakthrough with the Communist neighbour.

Since Chen's stunning election victory two months ago, Beijing has been insisting almost daily that the former Taipei mayor agree that Taiwan is an inseparable part of China.

Speaking to thousands outside the Presidential Palace, Chen repeated his campaign promise not to declare independence as long as China "has no intention to use military force against Taiwan".

But he made only a passing reference to Beijing's insistence that he agree that Taiwan is an inseparable part of China — a concept known as the "one-China principle". Chen complains the notion is vague and the two sides should discuss it, while Chinese leaders say they will not meet him until he embraces the principle.

"We believe that the leaders on both sides possess enough wisdom and creativity to jointly deal with the question of a future 'one China'," Chen said today.

The Chinese government expressed dissatisfaction with

Chen's 50-minute speech in a statement carried by the official Xinhua news agency, although it acknowledged Chen's promises not to declare independence.

Chen's address "avoided the crucial issue of accepting the one-China policy; the attitude is evasive and vague", it said.

"Obviously, his 'goodwill reconciliation' lacks sincerity".

China appeared unlikely to take any sudden, drastic actions. Its leaders have pledged to wait and see what Chen, Taiwan's first president from an opposition party, does after his inauguration.

Also missing from Chen's speech was an expected offer to end Taiwan's five-decade-long ban on direct shipping and air links with the mainland. Chen has already pledged to drop the ban if China shows enough good will, but many Taiwanese expected him to go further today.

Also missing from Chen's speech was an expected offer

to end Taiwan's five-decade-long ban on direct shipping and air links with the mainland. Chen has already pledged to drop the ban if China shows enough good will, but many Taiwanese expected him to go further today.

Some Chinese scholars and officials have questioned Chen's commitment to reunification because he rarely calls himself Chinese. Many Taiwan watchers speculated that Chen would try to appease Beijing by referring to himself as Chinese, instead of Taiwanese, in his speech, but he did not.



Chen

THE TELEGRAPH

21 MAY 2000

Taiwan leader open to confederation with China

ASSOCIATED PRESS

TAIPEI, April 21. — Taiwan's newly elected leader today showed rare interest in reunification with China, saying forming a confederation could be one possible way the two sides could reunify.

The President-elect, Mr Chen Shui-bian, a former vocal supporter of Taiwan independence, rarely expresses enthusiasm for Beijing's sacred goal of repairing a 51-year split between this island and the mainland.

But today, the reunification issue came up during a courtesy call Mr Chen paid to Sun Yun-suan, a senior adviser to retiring President Lee Teng-hui, who steps down on 20

May.

During the televised chat, Mr Sun suggested that one possible way for Taiwan and China to reunify would be to form a confederation. Other Taiwanese policy experts have also suggested the two sides agree to some type of loose alliance, similar to the British Commonwealth.

Mr Chen said Mr Sun's suggestion was worth considering and perhaps there would be a public consensus about forming a confederation. But Mr Chen said he did not have the power to single-handedly determine the future of Taiwan. "There's a lot of room for discussion of this matter," he said.

But Yu Keli, a Chinese scholar visiting Taiwan this week,

told reporters that Beijing would not agree to forming a confederation.

Most polls say that the majority of Taiwanese do not favour reunification with China as long as it's ruled by a Communist government.

The President-elect said there was a "thick icy wall" between Taiwan and China. He warned Beijing that continued threats would only make relations more difficult and delay a political breakthrough.

"I think the best way to break down the wall would be to rely on the warmth of the sun to melt it," Mr Chen said. Since his election last month, Mr Chen has tried to be flexible on the China issue and has made several goodwill gestures.

THE STATESMAN

22 APR 2000

Chen pledges not to fight for independence

BY HARVEY STOCKWIN
The Times of India News Service

HONG KONG: Two former dissidents, both of whom were imprisoned in the 1980s for sedition, were sworn in on Saturday as the new President and vice-president of the Republic of China in Taiwan, marking the first peaceful transfer of power to an opposition party in China's long history.

While President Chen Shui-bian went out of his way to try and improve tense relations between Taiwan and China, he naturally extolled the democratic values which had brought him, a very poor tenant farmer's son, to power. Whether this will end up enraging a China within which imprisoned dissidents have absolutely no chance of being elected to anything, remains to be seen.

The ceremony which brought to an end 80 years of Nationalist Party — KMT — control over the Republic of China, including 52 years of KMT rule over Taiwan, and which set a precedent in China's history, was brief and simple. It was held inside the presidential palace — originally built for Japan's colonial governors — before a small invited audience.

At 9 a.m. outgoing president Lee Teng-hui entered the room alongside Chen and his vice-president Annette Lu. Lee took his place facing a large portrait of the founder of the Republic, Sun Yat-sen, while the national anthem was sung. Lee then retired to his seat while Chen came forward with the chief justice, faced the Sun portrait and raised his hand while pledging to honour the constitution. Ms Lu did likewise.

There was a brief formal exchange whereby the various seals of office were presented to the new President and vice-president. Chen and Lu bowed to the audience and then escorted Lee through the palace to the front door, and the limousine waiting to take the former president into retirement.

Many of the Chinese watching must have been thinking of the contrast between this plain straightforward ceremony and the endless factional strife, bloodshed, civil wars, devious manoeuvrings and general turmoil which have accompanied past transfers of power within Chinese politics.

Two hours later President Chen and vice-president Lu repeated their oaths of office in

front of the presidential palace to a huge crowd estimated to number 200,000.

President Chen then delivered his 4,500-character inaugural speech, beginning by noting that his election was a reminder that "the fruits of freedom and democracy are not easily come by.



SAYING IT WITH INCENSE: President Chen Shui-bian burns incense sticks during a prayer at the Chenghuang Temple on Kinmen Island, between Taiwan and China's Fujian province, on Sunday.

Twenty-three million people, with an unwavering will, have allayed enmity with love, overcome intimidation with hope, and conquered fear with faith."

Then in a passage which echoed Mao Zedong's 1949 assertion in Tiananmen Square that China had stood up, Chen stressed, amidst applause, that the people of Taiwan had "transcended fear, threats and oppression and bravely risen to our feet together. Taiwan stands up demonstrating a firmness of purpose and faith in democracy. Taiwan stands up representing the

self-confidence of the people and the dignity of the country. Taiwan stands up, symbolizing the quest for hope and the realization of dreams."

The counterpoint to this, and Chen's other assertions of Taiwanese identity, came in the brief section towards the end of the speech when Chen sought to diminish the fears of the communist leaders in Beijing that he might make Taiwan independent. Ever since his election China has been threatening war, directing abuse particularly at Vice President Lu, and demanding that Chen accept China's interpretation of the "One China" principle before there could be any dialogue.

Noting that China and Taiwan "share the same ancestral, cultural, and historical background", Chen responded to the Chinese demand by hoping that "the leaders on both sides of the Taiwan Strait possess enough wisdom and creativity to jointly deal with the question of a future 'One China.'"

Chen then pledged that he would not declare independence, not change the national title (to Republic of Taiwan), not hold a referendum on independence, and not make changes to the constitution and other documents which would in effect separate Taiwan from China. But as in the election campaign so in Saturday's speech these promises of maintaining the facade of 'One China' came with a condition attached — "as long as the Chinese Communist Party regime has no intention to use military force against Taiwan."

Pointedly, keeping China's warlike threats in mind, Chen noted that "history has illustrated that war will only create hatred and enmity, with absolutely no benefit to the development of mutual relations".

The main body of the speech was devoted to Chen's plans to improve and strengthen democracy and freedom in Taiwan — among other things, by attacking corruption, by trying to end money politics, by adhering to international human rights conventions. Whether these plans and principles will also end up infuriating China's communist rulers, despite Chen's pledges to adhere to the ultimate vision of One China, will soon be known. Press reports in Hong Kong say that leading publications in China have already prepared verbal attacks on Chen, just in case they are now ordered to print them.

Kim basks in the 'sunshine'

THE SOUTH KOREAN general election results were not exactly a ringing endorsement of the Kim Dae Jung presidency, but neither were they a negative verdict on Mr. Kim's foreign policy, specific to reversing the country's hostility towards the North.

Accepting that the election was marked by the lowest-ever voter turnout at 57.2 per cent, there is also the other side of the argument. That the country was not on a confrontational path with the North. The economy had come out of the bad fright and the two main parties were not at logger-heads on economic reform. At the national level there was not much to vote for or against.

Mr. Kim's pro-Government Millennium Democratic Party took its tally from 98 seats to 115 seats. The opposition Grand National Party too increased its seats from 122 to 133, falling four short of a majority. Given South Korea's strong executive system, the fact that the Opposition enjoys the majority in the house is not a bad thing.

Even if the elections were fought on regional issues, the substantial increase in Mr. Kim's party strength in the Assembly is a fair reflection of society not challenging his foreign policy. That is perhaps how the Opposition leader, Mr. Lee Hoi Chang, too sees it. After months of both refusing to meet each other, Mr. Kim and Mr. Lee agreed in principle to meet before the country embarked on the summit with the North. Mr. Lee is the man who lost the 1997 elections to Mr. Kim.

The South Korean election results were not exactly a ringing endorsement of Mr. Kim Dae Jung's presidency, but neither were they a negative verdict on his foreign policy, writes
F. J. KHERGAMVALA.

Just four days before the election, the campaigning process was ambushed by the announcement of the North-South summit in mid-June. The timing of the announcement by the North was designed to favour Mr. Kim's Millennium Democratic Party.

After winning the presidency in the December 1997 elections, Mr. Kim took over power in February 1998. That summer, he broke new ground with Japan. With an economy in bad trouble, he jettisoned his predecessor's habits of raising the Japan bogey every few weeks.

The "sunshine policy" towards the North is the identity of the Kim foreign policy. Doing away with the fruitless confrontation of the Kim Young Sam Government, no absorption and German style quick reunification and instead, crafting a policy where both sides had much to gain. The sunshine policy took away the U.S.

leadership of peninsula matters and South Korea became the anchor for the joint policy for U.S., Japan and other allies.

The sunshine policy meant nothing if it remained a slogan and did not translate to meaningful exchanges on the ground. It meant, first that there should be a soft-landing of the North Korean state, as opposed to forcing its total collapse. At the very least, a collapse would entail millions of refugees, placing an enormous burden on a South Korea then in economic trouble.

The engagement policy had a humanitarian element, of giving food aid and an investment-cum-public contact element. One of the aims of the summit is to get the North to agree to the reunion of family members in the divided peninsula. Millions literally have close relatives on the other side and because of the divided and hostile conditions, millions have died without meeting them. It will be extremely difficult for the opposition's Mr. Lee to argue with this purpose.

On economic cooperation, the private sector is already involved with the North. Nearly 100 South Korean companies are engaged in business with North Korea whose economic and disciplined labour is used to process goods for sale in the South and elsewhere. The flagship deal however, came last year. The giant Hyundai conglomerate initiated a 'win-win' deal. Through a tourism infrastructure project that is eventually worth over \$940 million to the North until 2008, Hyundai began a project to carry overseas resident Koreans to Mt. Kumkang, a sacred location that includes the hot springs. Hyundai has made other offers like creating a massive industrial park in the North.

Many Korean companies welcomed the summit, but they want the Kim Government to offer economic aid to the North, as a test of commercial reliability. At the moment, the North does not have any legal or commercial infrastructure such as commercial laws, insurance, arbitration or courts to attract foreign investors. On the other hand, the use of cheaper labour of the North is a hugely attractive proposition.

There are areas where the North will make demands and Mr. Kim will need legislative power to concede those demands. Mr. Kim's gains in the elections disguise the loss of a numerical advantage his party enjoyed before the elections by joining hands with the 50-member United Liberals. That party has now shrunk to 17 and Mr. Kim will need to "buy" them for getting legislation adopted that satisfies North Korea. The North is sure to demand the rescinding of the national security laws that outlaw protests in support of the communist state. All in all, the Kim policy has been vindicated, if not strongly endorsed yet, by a nation now focussed on the new economy of the 21st century.

II 17-U

23 APR 2008

First round of Korea talks inconclusive

SEOUL, APRIL 22. Officials from both sides of the Korean cold war divide took a step towards bridging their differences today in the truce village of Panmunjom on the demilitarised zone. In the secretive meeting, they aimed to

pave the way for a historic leaders' summit scheduled to take place in Pyongyang in June, the South Korean Yonhap news agency reported.

Both sides outlived their demands for the summit and agreed

to meet again next Thursday, the report said. Reuniting families divided since the Korean war was a top priority for Seoul, said the South Korean delegation head, the Deputy Defence Minister, Mr. Yang Young Shik. Mr. Kim Ryong

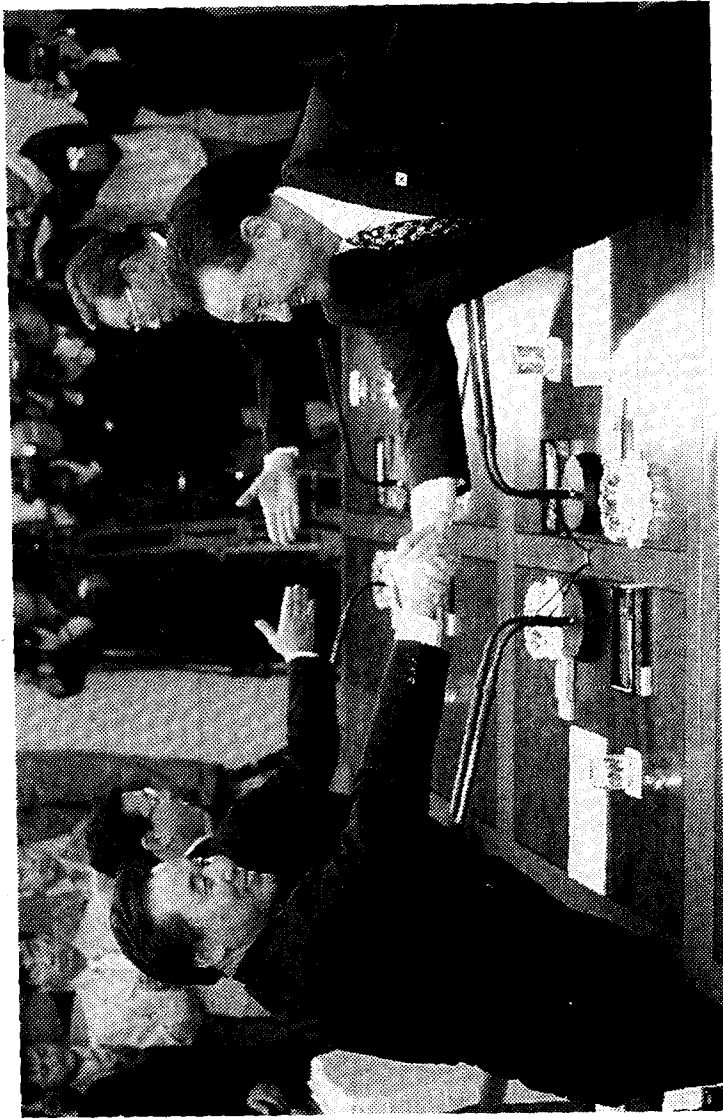
Song, delegation leader of the impoverished and isolated state of North Korea, said the planned summit would be a step towards Korean reunification.

South Korea's President, Mr. Kim Dae Jung, is due to hold talks with his North Korean counterpart, Mr. Kim Jong Il from June 12 to 14 — the first such meeting since Korea was divided in 1945.

Today's talks ended at 11:20 a.m. (local time) and lasted an hour and 20 minutes, 40 minutes less than had been scheduled. The North's chief delegate demanded that the two sides first discuss "basic issues". "There are a slew of pending issues between the two sides. In order to resolve these issues, the two sides must settle basic issues first," the chief delegate said in his opening statement. He did not elaborate on what these issues were, but in the North's terminology, they usually mean the abolition of the South's anti-communist and draconian national security law and other highly sensitive issues.

His South Korean counterpart, Mr. Yang, said the two Koreans should discuss ways of achieving prosperity through economic cooperation and mutual assistance at the June summit.

The talks opened at a building named "Freedom House" on the southern side of the village that sits inside the demilitarised zone, a four-km-wide band dividing the two Koreas. — AFP, DPA



The North Korean chief delegate, Mr. Kim Young Sung (left), shakes hands with his South Korean counterpart, Mr. Yang Young-Shik, at the summit preparatory talks at the border village of Panmunjom on Saturday. In the background North Korea's Mr. Kwon Min (left), stretches his hand for a handshake with the South Korean delegate, Mr. Sohn In-Kyo. — AP

23 APR 200

THE HINDU

26 APR 2000

More posturing by China, Taiwan before negotiations

By F.J. Khergamwala

TOKYO, APRIL 25. Taiwan's President-elect, Mr. Chen Shui-bian and the mainland Chinese leadership are jockeying and posturing before finding common ground on a critical negotiating issue that will set the tone for future negotiations. The U.S. is helping find this common ground.

Mr. Chen is to be inaugurated on May 20 in Taipei. He has been busy consolidating himself at home, preparing his Cabinet. On the foreign policy front, as he contemplates negotiations with Beijing, the most important factor is China's requirement that Mr. Chen should agree to negotiate on the basis of Taiwan being part of "one-China." Even if there is room to manoeuvre on how each side approaches the goal, the key to a breakthrough is a mutual appreciation of what

constitutes the "one-China" goal.

China has been following a multi-track approach in the run up to the inauguration of the new Taiwanese President. This approach includes insisting, directly and through U.S. intermediaries, that Taiwan agree to early negotiations on the basis of "one-China; heaping insults on Vice-President-elect, Ms. Annette Lu, known to be a hard-liner; using unofficial U.S. channels to re-open bridges with Taiwan and seeking moderation from the U.S. on the grounds that tilting too far towards Taiwan could encourage brash behaviour by the new Democratic Progressive Party (DPP). The DPP's charter opposes unification and advocates a separate Taiwan.

Last Friday, Mr. Chen said there was room to discuss the idea of a federation, as suggested by an adviser to the outgoing

President, Mr. Lee Teng-hui. Mr. Chen has not put this idea forward as his own but it could be one way of moving towards a unification with the mainland.

Mr. Chen said, after meeting the adviser that the suggestion was worth considering. Without directly drawing a parallel, Mr. Chen also seemed to allude to his own concept of the "sunshine policy" crafted by the South Korean President, Mr. Kim Dae Jung, with regard to North Korea. Mr. Chen said the thick icy wall between Taiwan and China could best be broken down by relying "on the warmth of the sun to melt it." He cautioned Beijing to be patient and not to make it difficult for him by continuing threats of military action.

China has applied some sustained pressure on Mr. Chen to set a schedule to open negotiations, but only on the basis that Taiwan is a part of one-China. A fort-

night ago, Mr. Chen said, "There are varied definitions of 'one-China.' Even the U.S. and China are different on 'one-China.'"

After the visit to China by the U.S. National Security Adviser, Mr. Sandy Berger earlier this month, it became known that China has been telling the U.S. to insist on Mr. Chen that the inauguration speech must contain a commitment to "one-China." Mr. Chen has not commented specifically on how he would refer to this in the speech but he has already said that his speech would help ease tensions. The mainland does not seem to have paid much heed to this. It has continued its typical, crude "Made in China" personal insults and defamation policy against Ms. Annette Lu. "Hideous face," "scum of the nation," were just two of the preferred insults of the Chinese propaganda ma-

chinery. The U.S. has acted judiciously in not agreeing to sell Taiwan four Aegis class destroyers, for now. This prevents Taiwan from seeking a direct anti-missile umbrella under the idea of the Theatre Missile Defence scheme.

Agreeing to meet China's request soon after a hard-line Government in Taiwan has been elected might have worsened cross-strait relations.

But, in trying to craft a policy of deterring Taiwanese radicals from ill-considered actions, the mainland has gone too far in insulting a person who will be the island's Vice-President.

A four-member U.S. team has just been in Taiwan and is now in China as part of the track II (unofficial) negotiations. Hopefully, they will counsel Beijing that insults could harden postures in Taipei.

'Taiwan independence means war'

Beijing, February 29

THE CHINESE army today warned Taiwan's pro-independence politicians that their attempts to separate the island from mainland would certainly mean war.

Any attempts to separate China and seek independence by Taiwan separatist forces threaten the sovereignty and territorial integrity of China, an article in China's army newspaper People's Liberation Army daily said.

It said PLA will spare no efforts to fight for the sovereignty and territorial integrity of the motherland. Warning Taiwan President Lee Teng-Hui and others,

the paper said the PLA would take resolute measures against separatist activities in Taiwan, which China views as a rebel province that must be reunified with the mainland.

The rhetoric comes ahead of the March 18 presidential polls in Taiwan, which China says is a local election.

The army newspaper had yesterday warned the US it would pay a heavy price for any military intervention over Taiwan. It also boasted that China had the weapons to launch a counter-attack on the United States. China last year tested the DF-31 nuclear capable intercontinental ballistic missile that could hit targets in the US. (PTI)

THE HINDUSTAN TIMES

- 1 MAR 2000

N. Korea gradually peeking out

410-14
By F.J. Khergamvala

TOKYO, MARCH 3. A group of eight North Koreans has arrived in Japan the other day, ostensibly to study treatment techniques for atomic bomb effect victims. In that group is one official who has participated in every open or discreet Japan-North Korea official level talks, none of which was linked to any bomb effects.

This group was received by the Prime Minister, Mr. Keizo Obuchi. Not a news shattering event, but one that seemed to signal a welcome that North Korea is peeping out. The trend is becoming increasingly evident.

A day before this Japan visit began, Australian diplomats returned from four days of talks in Pyongyang, capital of the world's most secretive state, with which Canberra has no diplomatic ties. Three weeks back, North Korea and Russia renewed a friendship treaty to heal ties that became strained after Moscow established ties with Seoul.

Last week, it became known that Indonesia and North Korea have signed an agreement on the promotion and protection of bilateral investment.

These instances reveal not only Pyongyang's confidence in very slowly opening out to the outside world, both politically and on commercial matters, but also a willingness to acknowledge publicly that what it has been doing so far was not exactly the best way of doing things.

For instance, in the first academic exchange with the U.S. last month, North Korea seemed to willingly agree to publicity that a group of four doctors spent a month in the U.S. studying med-

icine practice, and baseball.

The Kim Jong Il regime is still a bit shy of acknowledging, as with Japan, that under cover of various missions, it is negotiating to end the state of hostility and establish relations.

Hostile rhetoric emanating from Pyongyang against the U.S., Japan and South Korea has certainly not died down, which suggests that conservative elements need to be appeased. But there is a definite trend towards publicising a slow shift towards openness.

On the occasion of Mr. Kim's birthday recently, many western correspondents were allowed in to film and report on how the country is a partner in a successful inter-Korean venture catering for Koreans from all over the world.

The top officials in Pyongyang surely knew that no report about the Mt. Kumkang tourism project could be complete without a mention of a South Korean conglomerate financing the billion dollars project.

Many analysts believe that the North Korean regime has belatedly recognised that emulating China's outward looking policy is the preferred choice of survival because North Korea's traditional sources of obtaining foreign currency are either being curbed or coming under greater scrutiny. Shortly, an unnamed North Korean official is to visit Washington DC.

He will discuss establishing mutual liaison offices in the two capitals. The U.S. has agreed to put on the agenda a review of Pyongyang's listing as a State sponsor of terrorism.

Not all of this could be attributed to the give-and-take of the new policy negotiated by the chief U.S. negotiator, Dr. William Perry. Despite a plus growth rate, the first since 1989, there are severe power shortages in the North. It needs help and it will not come without a price.

The Perry policy of a carrot-and-stick gradually deprives North Korea of a reliance on smuggled opium, missiles parts, technology and personnel exports, for earning its foreign currency.

Australia has clarified that formal links may be established with the North, "in time" after a rupture lasting 25 years. Canberra may not be willing to undercut U.S. and Japanese efforts to establish ties with North Korea.

These three nations are likely to demand a formal cessation of all missile tests as a price for economic aid. Dr. Perry successfully got the North to observe a moratorium on testing of long range missiles.

China, Taiwan & the U.S. — a tangled web

49-16

The bosses in Beijing suspect that a right-wing lobby is nudging the U.S.-Taiwan relationship into a formal state-to-state alliance that could end up with Taiwan officially becoming a democratic nation-state, reports
F. J. KHERGAMVALA.

5/3

W. ASH

AT FIRST sight, an 11,000-word bombast by China on February 21 seemed like the first salvo of words in Taiwan's Presidential election, campaigning for which officially got under way on the same date. Now, there is something far more serious that lies beneath the surface of the waters of the Taiwan Strait.

Beijing's State Council issued a White Paper detailing its Taiwan policy. It was all too obvious that the document was the work of the conservatives and hardline elements in the Peoples Liberation Army. The mainland threatened Taiwan that it would be "forced to take all drastic measures possible, including the use of force", if Taipei refused negotiations on peacefully unifying with the mainland.

There was no time-frame attached to the threat. Nor, considering that the Taiwan President, Mr. Lee Teng-hui, had not dropped his insistence on "special state-to-state" level contacts with Beijing, did China put any serious preconditions to the talks. China's White Paper added that it would be justified in attacking the island if the U.S. continued military sales to Taiwan or if Taiwan changed its Constitution to alter the "two Chinas" position.

Again, the Paper did not say that China would actually attack Taiwan if military transactions occurred. In content and timing, there was much in it to suggest that it was an expression of impotent rage meant to appease radicals on the eve of the annual National Peoples Congress session beginning in Beijing on March 5.

A number of secondary purposes, such as browbeating the "splittist" Democratic Progressive Party candidate in Taiwan on the eve of the March 18 elections, may have been intended. At the end of the day, the redeeming fact was that words were not as damaging to regional stability as the missiles fired by China in 1996.

It would now appear that China's anger has a far more serious short-term purpose than the Taiwan elections or mere haste in nudging Taiwan to negotiate unification before Mr. Jiang Zemin finishes his quest to enter the history books in the next four to five years. The bosses in Beijing had decided that the U.S. was

not merely the political patron of Taiwan but that a powerful right-wing lobby was nudging the U.S.-Taiwan relationship into a formal state-to-state military and political alliance that could very easily end up with Taiwan officially becoming a democratic nation-state.

First, on January 31, the U.S. House of Representatives approved, by a margin of 341 to 70 votes, a measure called the Taiwan Security Enhancement Act. Even though it was a watered down version to prompt the White House to drop its threat of a veto, the Act would open out new grounds for the U.S. to continue supplying the most modern weapons systems to Taiwan, over and above the implied commitment to its defence made in the 1979 Taiwan Relations Act. The latter Act commits the U.S. to help Taiwan maintain "self-defence capability".

The Bill is now before the Senate and, if it passes, could cause plenty of problems on the ground. Taiwan has reacted swiftly to China's purchase of state-of-the-art weapons systems from cash-starved Russia, including the four Sovremenny Class destroyers with SS-N-22 Sunburn guided missiles. Taipei's Generals and politicians have uniformly argued for a long-range missile and are pleading for being part of the U.S.-Japan-sponsored idea of a Theatre Missile Defence.

Between 1994 and 1998, the U.S. has approved \$2 billions worth of arms for Taiwan. Now, the U.S. media reports, in one huge sales request Taiwan has asked for over \$6 billions worth of the most modern force multipliers by way of four Aegis-system-equipped destroyers, worth a billion and a half dollars each. The U.S. is to consider this request very soon. If

Taiwan's request is accepted, it would entail equipping and holding joint exercises to train Taiwanese forces to operate what is by far the most modern naval item that the U.S. would have exported, except to Japan. An Aegis-equipped destroyer would give Taiwan the wherewithal for exo-atmospheric defence capability and put it within a step of being protected by the Theatre Missile Defence shield.

In short, the supply of the Aegis-equipped vessels would totally neutralise any hopes the mainland might have of settling the Taiwan issue by force. Additionally, coupled with the commitments under the Taiwan Security Enhancement Act, if it passes, the joint training involving U.S. and Taiwan forces would surely be a forerunner of a military alliance.

China's military brass might ask itself about its own misjudgment in continuing to remind Taiwan that force remains an option. The Taiwan issue has been the rallying point for conservative nationalists in China, even though no cogent legal case has ever been made that the mainland has the right to claim Taiwan.

To beat the Taiwan drum all too often in a long American election season has inevitably given the issue a sharper focus in the U.S. Not only is this a military sales matter but it does impact on China's trading status in the U.S. and the Congress's attitude on admission to the World Trade Organisation. Overall, neither the Clinton Administration, the U.S. Congress, nor the Jiang Zemin regime in Beijing has shown the sobriety that is so essential for Asia's economic recovery.

THE HINDU
- 5 MAR 2000

***There is nothing
that irks American
lawmakers more
than a "communist"
nation trying to "bully"
a "democracy", says
SRIDHAR KRISHNASWAMI.***

EITHER China is blissfully ignorant of the implications of its actions on Taiwan in the United States; or Beijing simply could not care less. But whatever the rationale of China's leaders in ratcheting up the rhetoric against Taiwan, it does put the Clinton administration in a spot — that too an administration which in the last seven years has been bending over backwards to humour the leadership in Beijing.

One perception here has been that every time there is an election in Taiwan, Beijing goes over the bend trying to remind its "renegade province" that force is around the corner if re-unification does not come through in the near future.

And Taiwan looks to Uncle Sam, reminding Washington every now and then that since the Strait is becoming a more dangerous place, one way to get out of the mess is for advanced weapons systems — something on which the pro-Taiwan legislators are only too happy to oblige.

This time it was China's White Paper warning on the use of force for re-unification that was scorned on Capitol Hill and looked at with "concern" at the White House.

Washington reminded Beijing quietly of not only the existing legislation and the obligations of the U.S., but also of what the Clinton administration had done nearly four years ago in sending two aircraft carriers by way of response to China's war games and missile tests near Taiwan.

But few remember that this dispatch of aircraft carriers was also passed off as a diversion on account of bad weather.

The stakes are high this time round and China-watchers in the U.S. say Beijing is once again testing the commitment of the Clinton administration to Taiwan.

And the latest fencing between Washington and Beijing has to be seen in the context of a debate in the U.S. on a missile defence system, the passing of the Taiwan Security Enhancement Act by the House of Representatives by a veto-proof majority, and the impending vote on the Normal Trading Relations Act.

And add to all this the "request" of Taiwan to the U.S. to sell it a host of sophisticated weaponry including four warships equipped with the Aegis weapons system. China has immediately argued that this would be a violation of its sovereignty.

Some in the White House and in the State Department are reluctant to tread on this political minefield but some in the Pentagon and on Capitol Hill are inclined to see in this sale the real commitment of the U.S. to the defence of Taiwan.

On the face of it, it would sound quite bizarre that Beijing is trying to mess things up just when the administration is already up to its neck in trouble over the deal on China's entry into the WTO.

Domestic political compulsions being what they are — and that too in an election year — the Vice-President, Mr. Albert Gore, feels compelled to humour labour and whichever group that is going to support him.

Labour has promised to use every dollar at its disposal to fight the China WTO deal in Congress. At the other end, big business has made it plain to lawmakers that it wanted

this deal passed.

And Congressmen not dependent on the union vote know the implications of getting on the wrong side of the major corporations.

But to the Clinton White House, which is dependent on Republican support on Capitol Hill for the Normal Trade Relations Act, it is not just Mr. Gore and like-minded Democrats messing things up — Beijing is doing its bit in trying to force the Republicans on the issue.

And the way this could happen is if the Senate takes up the Taiwan Security Enhancement Act and passes it. That will be the first signal that the vote on the Normal Trade Relations Act is heading down.

For an administration that had its share of foreign policy defeats last year, a loss on the vote may be a bitter pill to swallow. One expectation is that in the face of an imminent defeat, the administration may postpone the vote which is now scheduled for sometime this spring.

In the last several weeks, the President, Mr. Bill Clinton, and some of his top Cabinet members have been talking of the importance of the U.S.-China agreement on the latter's entry into the WTO.

The other side of the argument on the linkage — and mercifully one that has not been pushed hard — is that China has cranked up its rhetoric on Taiwan because it really does not wish for entry into the WTO.

The argument is that Beijing has really nothing to gain by playing by WTO rules and is quite happy with the fashion in which it dictates the present scheme of things — a view that will be hotly contested by the administration and others.

In spite of all the distance that has been travelled between China and the U.S. in the last 30 years, there is nothing that irks American law makers more than a "communist" nation trying to "bully" a "democracy" and hoping to get away with it.

In the case of Taiwan, the lobbying network on Capitol Hill is so powerful that lawmakers can bring legislative and administrative matters to a standstill if there is a perception that Washington is letting down Taiwan.

The initial response and warning of the Senate Foreign Relations Committee Chairman, Mr. Jesse Helms, and the Chairman of the House International Relations Committee, Mr. Benjamin Gilman, are more than ample testimony.

THE HINDU
- 5 MAR 2000

✓ Pro-independence candidate returns fire

G.A. Zhu issues vote diktat to Taiwan 18/3

Beijing, March 15 (AP): Warning China will never accept independence for Taiwan, Chinese Premier Zhu Rongji today advised the people of Taiwan not to vote for a pro-independence presidential candidate this weekend.

Pointing to a slide in Taiwan's stock market earlier this week, Zhu said some Taiwanese fear a pro-independence leader could take them into a war with China and "these worries follow clear logic."

"The people of Taiwan are standing at a very critical historical juncture, so let me give advice to all the people of Taiwan: Do not act just on impulse," Zhu said. "Otherwise you will regret it very much and it will be too late to repent."

In an unmistakable reference to Chen Shui-bian of Taiwan's pro-independence opposition party, Zhu contended that "every possible treachery" was being used in the campaign "to get the one who is for Taiwan independence to win."

"We must make it crystal clear. No matter who comes to power in Taiwan, Taiwan will never be allowed to be independent," Zhu said, shouting for emphasis as he did several times in his 100-minute news conference when talking tough on Taiwan.

In southern Taiwan, where support for independence is strong, Chen told a rally that China was playing the "terror card." Chen is one of three main candidates in a close race to replace President Lee Teng-hui, who is retiring. The election is on Saturday.

Chen said Taiwan voters would not be scared by the threats of force and would not reunify with China under Beijing's "one



Chinese Premier Zhu Rongji warning Taiwanese voters to stay away from pro-independence candidates. (AFP)

country, two systems" formula.

"Taiwan is a sovereign, independent country. It's not a part of the People's Republic of China," Chen said. The mainland and the island have been ruled separately since the end of the Chinese civil war in 1949.

Zhu is known for candour, but his comments on Taiwan were full of the nationalist rhetoric the communist leadership often uses. He warned the world should not underestimate China's resolve and dismissed widely held views by foreign military analysts that China lacks enough aircraft, missiles and ships to attack Taiwan.

"By such calculations, Hitler would have long ago conquered the whole world," Zhu said raising his voice.

"Those who make these calculations do not know Chinese history. The Chinese people will use all their blood and even sacrifice their lives to defend the unity of

our Motherland and the dignity of the Chinese nation,"

Zhu also took aim at the US, although he caught himself as he started to say "America" and instead said "a certain country." He accused some US politicians of delaying China's unification with Taiwan, trying to make China a potential enemy and threatening intervention.

Switching from Chinese to emphatic English, Zhu quoted US President Bill Clinton in a speech last week calling for "a shift from threats to dialogue across the Taiwan Strait." It would have been better to call for "a shift from threats to dialogue across the Pacific Ocean," Zhu said.

The Chinese Premier also reiterated a threat that China would exclude US companies from the Chinese market if the Congress fails to give Beijing permanent low-tariff trading privileges as part of a WTO deal.

THE TELEGRAPH

16 MAR 2000

Cross-straits tension heightens

HD-16 By F. J. Khergamvala 17/3

TOKYO, MARCH 16. The Kuomintang Party (KMT) nationalists have ruled Taiwan ever since the Japanese surrendered control in 1945. Saturday's election could change this steady course run by a party that has at once become a cesspool of corruption and raised the island's profile in world affairs as a flourishing democracy that is a leading manufacturer and trading nation.

Taiwan's election laws ban publication of opinion polls in the crucial run final-up period. Therefore, the most reliable, yet dated guide of the sentiments of the 21 million people is the mixed picture presented by the projections of March 7. Different surveys showed each of the three main candidates leading or in striking distance of each other by scores well within margins of error.

In the five-way race, the main contestants are the Vice-President, Mr. Lien Chan, 63, of the ruling KMT; Mr. James Soong, 57, a former KMT Secretary-General running as an independent and Mr. Chen Shui-bian, 49, of the Democratic Progressive Party (DPP), a former Mayor of Taipei.

One of them will replace Mr. Lee Teng-hui, who ends a 13-year rule during which he made the island the only democratically governed Chinese society. In 1996, he held and won the island's first direct presidential election. Mainland China will be glad to see his back.

Relations with Beijing are an issue that looms large because of the chance of an upset. China is known to favour the independent, Mr. Soong, and may be able to work with the KMT's Mr. Lien Chan, provided Mr. Lee's

shadow does not follow Mr. Lien Chan. But, the latter is such a lack-lustre person that Mr. Soong and Mr. Chen have nibbled away at voters no longer supportive of the KMT.

The DPP has traditionally advocated distancing Taiwan from the mainland, but Mr. Chen has recently joined his rivals on a middle-of-the-road approach to widen his support base. A win for Mr. Chen could greatly upset the *status quo* and put intense pressure on China to deliver on its threats.

The surest indicator of how close the election is and, therefore how scary the prospect of the DPP winning was the language and tone used by China's Premier, Mr. Zhu Rongji, at a news conference on Wednesday in Beijing. Responding to a spate of questions, many by the Taiwan media, Mr. Zhu warned the Taiwan voters: "Do not just act on impulse at this stage which will decide the future course that China and Taiwan will follow. Otherwise, I'm afraid you will not get another chance to regret." Mr. Zhu added that if Taiwan elected wisely, the island might even get concessions, during peaceful negotiations. Mr. Zhu did not name Mr. Chen, but it was clear that the DPP candidate is the mainland's chief bogeyman, not least because he is in most respects the "most Taiwanese" of the three.

The warning was the result of a few indicators suggesting that Mr. Chen could well get about 35 per cent of the votes, which is considered the winning requirement. In recent days, after Mr. Chen attracted a top security expert and also Taiwan's leading academic figure, a Nobel laureate to his side, his prospects seem to have improved.

THE HINDU

17 MAR 2000

Taiwan sharpens watch over PLA on poli eve

REUTERS

TAIPEI, March 17. — Twenty-four hours before its key presidential polls amid Chinese threats, Taiwan today urged Beijing to "exercise restraint" and its military stepped up monitoring of the Communist nation's huge armed forces.

Taiwan, however, maintained a standard level of military alertness on the eve of the elections that could oust the Nationalists and usher in a pro-independence government, a result that might lead to a conflict with China.

The island's military said it hasn't detected any unusual movements by the Chinese army. "Unless there is any unusual movement ... we have no plans to raise the level of alertness or mobilise troops," a defence spokesman said.

Tensions are high amid threats from Beijing that a win for Mr Chen Shui-Bian of the Democratic Progressive Party, which openly advocates a separate state, could bring a swift and furious reaction — possibly within hours.

China has long threatened invasion to stop Taiwan from breaking away. Chinese Premier Mr Zhai Rongji on Wednesday signalled growing alarm as Mr Chen's campaign

participating in any activities of the Democratic Progressive Party," he yelled out to supporters from the back of a campaign truck in southern Tainan.

There have been signs that Mr Chen's campaign is on a roll and for the first time since the Nationalists fled to Taiwan in 1949 after the Chinese civil war, they are threatened with defeat at the ballot box.

Mr Chen has attracted huge crowds at rallies and won the backing of Taiwan's top scientist, Nobel laureate Mr Lee Yuan-Tseh — a key endorsement in a society that venerates scholars.

The Nationalists' electoral support has been split by the maverick candidacy of party rebel Mr James Soong, who is running as an Independent.

The three front-runners made last-minute appeals today to undecided voters who could determine the outcome of a cliff-hanger election too close to call. Loudspeaker trucks flying party colours fanned out across the island of 23 million people.

But while foreign journalists are flocking to Taiwan to cover the polls, the Chinese official media is ignoring the event, labelled by Beijing as a local election, adds PTT from Beijing.



Taiwan's Independent presidential candidate, Mr James Soong, cheers at a bus-load of supporters in the outskirts of the southern port city of Kaohsiung on Thursday. — AP/PTI

gathered steam, by warning Taiwan voters they would not get a second chance if they elected him.

In Washington, US under-secretary of state Mr Thomas Pickering called in Chinese ambassador Mr Li Zhao Xing to urge Beijing to tone down its rhetoric.

Mr Lin Chongpin, spokesman for Taiwan's Mainland Affairs Council, said the government was "able to handle every possible situation and has made perfect preparation to cope

with any provocative action. We urge the Chinese Communists to be rational and exercise self-restraint and not to do anything that will hurt feelings of people on both sides."

Mr Lin, however, has seized on Mr Zhu's warnings to portray Mr Chen as a dangerous radical.

Mr Chen himself has soft-pedalled the independence issue. He made a final bid today to distance himself from his party's separatist platform. "If elected President, I will stop

Taiwan calls for restraint

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TAIPEI, MARCH 17. Taiwan urged China to 'exercise restraint' today, the eve of presidential elections that could end more than five decades of Nationalist rule on the island and usher in a pro-independence government.

Tensions are high amid threats from Beijing that a win by Mr. Chen Shui-bian of the Democratic Progressive Party, which openly advocates a separate State, could bring a swift and furious reaction — possibly within hours.

Three frontrunners made last-ditch appeals to undecided voters who could determine the outcome of a cliffhanger election too close to call. Trucks flying party colours fanned out

across the island of 23 million people.

Mr. Chen made a final bid today to distance himself from his party's separatist platform. "If elected president, I will stop participating in any activities of the Democratic Progressive Party," he yelled out to supporters from the back of a campaign truck in southern Taiwan.

In Washington, the U.S. Under Secretary of State, Mr. Thomas Pickering, called in the Ambassador, Mr. Li Zhao Xing, to urge Beijing to tone down its rhetoric.

The U.S. Defence Secretary, Mr. William Cohen, said in Tokyo he saw no signs that China was preparing to attack Taiwan but warned

Beijing that use of force was not an acceptable way for the two to settle their differences.

Taiwan's military said it had stepped up monitoring of China's armed forces, the world's largest, but remained on a standard level of alert.

"Unless there is any unusual movement on the part of the Chinese communists, we have no plans to raise the level of alertness or mobilise troops," a Defence Ministry spokesman said.

Mr. Lin Chongpin, spokesman for Taiwan's Mainland Affairs Council, said the Taiwan Government was "able to handle every possible situation and has made perfect preparation to cope with any provocative action".

"We urge the Chinese communists to be rational and exercise self-restraint and not to do anything that will hurt feelings of people on both sides," he said.

Mr. Lien has seized on the Chinese Premier, Mr. Zhu Rongji's warnings to portray Mr. Chen as a dangerous radical. "Relations between the two sides of the Taiwan strait are fairly tense," he told reporters today.

For the second day, Taiwan wheeled out a multi-billion dollar stock market 'stabilisation' fund and bought shares aggressively, pushing prices slightly higher at the close.

Chinese media shuns polls

In Beijing, foreign journalists are flocking to Taiwan to cover the polls but the official media here is ignoring the event with Beijing labelling it as a local election.

No Chinese mainland reporter has applied to cover the elections, officials from both sides of the Taiwan strait were quoted as saying by media reports in Hong Kong today.

More than 500 overseas reporters had applied to cover the polls, but none from the mainland, Taiwanese officials were quoted by Hong Kong's *South China Morning Post*. — Reuters, PTI



Officers of Taiwan's Coast Guard keep a constant watch on passing ships off the coast of the Pratas Island, 440 km from the southern tip of Taiwan in the Taiwan Strait on Tuesday. Military analysts say the island would be a possible target if China wanted to show it was serious about its threats of force on Taiwan. — AP

~~Cohen~~ tells North Korea to stay on the path of engagement

SEOUL: U.S. defence secretary William Cohen, on Saturday urged North Korea to stay on its new path of engagement, as his South Korean counterpart noted that North Korea had conducted unusually extensive military exercises this winter.

Speaking at a news conference while winding up his 10-day Asian tour, Mr Cohen said that North Korea was unpredictable.

"But I would point out that with so many countries reaching out to North Korea — to look at assisting them in dealing with some of their internal problems — it would be contrary to North Korean interests to consider military action against the South," Mr Cohen said.

"We must always remain vigilant and prepared and have a strong deterrent, as we do, and to send a signal to the North that it would be contrary to their interests other than to pursue the path of peace."

The two Koreas remain in a technical state of war, because

their 1950-53 conflict ended in an armed truce that has yet to be replaced by a peace agreement.

South Korean defence minister Cho Seong-Tae told the news conference that North Korea had conducted "unusually extensive military exercises" since last June's clash between the rival Korean navies in the Yellow Sea.

Several North Korean vessels were damaged or sunk in the clash near their contested sea border in the first such naval engagement since the Korean war ended.

"Although North Korea has shown its softer side, by holding U.S.-North Korea talks...We have to be always alert to the North Korean threat," Cho said.

Mr Cohen said that any such action could affect food and other humanitarian aid to the North.

Mr Cohen said earlier that his visit here, marked the dual approach by the United States, South Korea and Japan to dialogue with Pyongyang's reclusive Communist leadership, while maintaining a

hefty military deterrent against the North.

A senior U.S. official travelling with the defence secretary said that South Korean president Kim Dae-Jung and Mr Cohen during talks on Saturday agreed that U.S. engagement with North Korea must be centred on north-south relations. The official, who asked not be named, said that Kim expressed pleasure that Japan and the United States had accepted his "sunshine policy" of engagement with North Korea.

"North Korea has no choice — they are not going to engage other countries without engagement with South Korea," the official quoted Kim as telling Mr Cohen.

Mr Cohen, who earlier became the first U.S. defence secretary to visit Vietnam since the Vietnam war ended in 1975, also met defence minister Cho and foreign minister Lee Jounng-binn to discuss issues ranging from North Korea to the China-Taiwan dispute and bilateral issues. (Reuters)

THE TIMES OF INDIA
19 MAR 2000

Taiwan gets pro-independence President

REUTERS

TAIPEI, March 18. — The leader of Taiwan's pro-independence Democratic Progressive Party ended more than half a century of Nationalist rule today with a dramatic win in presidential elections, in the face of threats by Beijing.

The President-elect, Mr Chen Shui-Bian, offered to travel to China for "reconciliation" talks and said he welcomed a visit to the island by the Chinese President, Mr Jiang Zemin. He said he wanted to talk with Chinese leaders about opening direct trade, travel and investment links between Taiwan and mainland China.

There was no immediate response from China, which has threatened to invade if Taiwan declares independence. Before the results were announced, Taiwan's military pledged to back whoever won.

Wen Wei Po, a Beijing newspaper in Hong Kong reported this morning that China's armed forces were on high alert in anticipation of the pro-independence candidate's win. "To tackle any sudden results of the elections, the People's Liberation Army, Air Force and Navy are on high alert and ready to take measures according to the existing situation," the paper quoted an unnamed source as saying.

"If Chen Shui-Bian takes the seat (of power), turbulence is

inevitable. It will increase the likelihood of our using force to solve the Taiwan question," the paper said.

In Taipei, jubilant supporters of Mr Chen Shui-Bian filled the streets, setting off firecrackers and waving a sea of banners after he narrowly defeated Independent candidate, Mr James Soong. Mr Lien Chan, the candidate of the nationalist party which has ruled Taiwan since 1945, trailed badly.

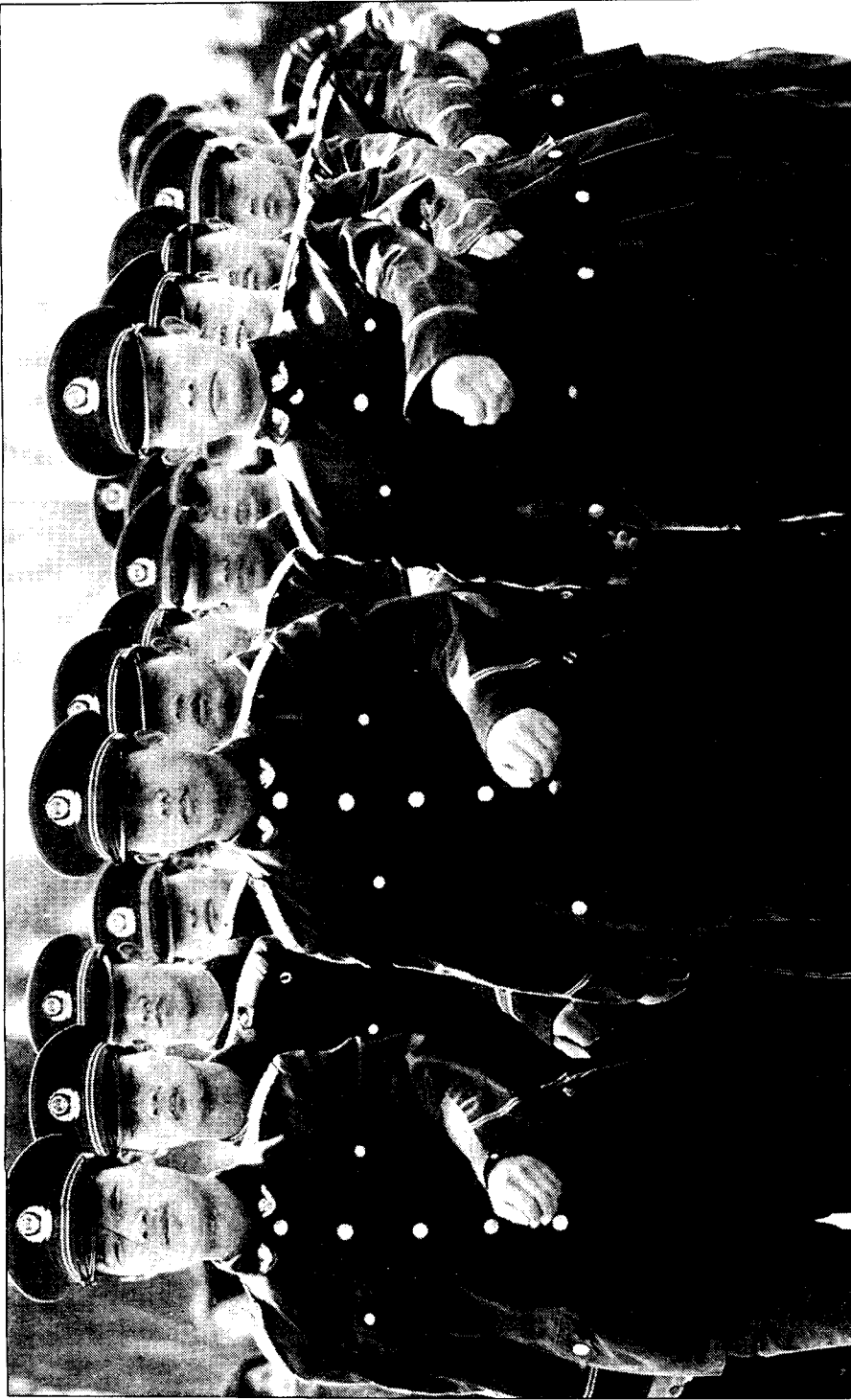
Beijing has issued a stream of ominous threats about the possibility of a Chen win. The Chinese Prime Minister, Mr Zhu Rongji, has warned that if Taiwan's voters acted impulsively they may not get a second chance.

The final official tally showed Mr Chen with 4.9 million votes, Mr Soong with 4.6 million and Mr Lien with 2.9 million. The turnout among Taiwan's 15.46 million eligible voters was 82.69 per cent.

Tens of thousands of supporters thronged Mr Chen's campaign headquarters in central Taipei, blowing plastic horns, cheering and singing. "President Chen, President Chen," they chanted.

A subdued Mr Lien, wearing a dark suit and with his former beauty queen wife by his side, conceded defeat at his party's headquarters. "I feel very sorry," he said. "I've let down everybody's high hopes."

Mr Chen's Democratic



Chinese soldiers march outside their barracks north of Beijing's Tiananmen Square, on Saturday, the day of the presidential election in Taiwan. — AP/PTI

Progressive Party openly espouses independence, but Mr Chen had backpedalled on the issue to avoid scaring voters.

Mr Chen has promised not to hold a referendum on the issue or change the flag and constitu-

tion. Before the results were announced, Taiwan's Chief of Staff, Tang Yao-ming, said in a statement: "On behalf of the armed forces, I hereby pledge to the would-be commander-in-

chief that the armed forces will be loyal, make sacrifices and contributions, and defend the national security of the nation. In the face of fresh threats from China, the defence minister, Mr Tang Fei, has instruct-

ed the military to "increase their overall alertness and strengthen their guard", the statement said. It quoted Mr Tang as saying that Taiwan "did not seek war, but neither did it fear conflict."

TAIWAN / VOTERS IGNORE CHINESE THREATS

Pro-independence leader wins poll

By F.J. Khergamvala

110-12
19/3

TOKYO, MARCH 18. The Taiwanese electorate today gave a resounding thumbs down to the ruling nationalist Kuomintang Party (KMT), ignored threats from the mainland China and elected Mr. Chen Shui-bian of the pro-independence Democratic Progressive Party (DPP) to the presidency. The winner instantly made an offer of friendship to Beijing.

At 7:30 p.m. local time, when Mr. Chen neared five million votes, a lead of more than 300,000, it was officially announced that the DPP candidate had been elected to be the island's second directly elected President. Earlier, soon after Mr. Chen's supporters had claimed victory based on television projections, the mainland's Xinhua news agency reported the bare result without comment.

When Mr. Chen, 49, a former Mayor of Taipei, takes over formally on May 20, it will signal the ignominious end of over 50 years of KMT rule, much like India's Congress, because of corruption and misrule. In fact, the KMT candidate, the Premier, Mr. Lien Chan, with just about a quarter of the votes, trailed well behind even the other main candidate, Mr. James Soong, who got over four and a half million votes. Mr. Soong was Secretary General of the KMT but quit in disgust and carried many KMT cadre with him after the party leadership did not select him as the KMT candidate. Mr. Chen's victory could be attributed to the entry of Mr. Soong who split the KMT vote.

Mr. Lin I-Hsiung, Chairman of Mr. Chen's DPP, speaking before the acceptance speech by the winner, reiterated that the party would soon offer to begin negotiations with the mainland. Mr. Chen himself offered the most significant initiative. He did not, at this early stage, attach any conditions or spell out other terms for talks, but moving away from the KMT's hard line, Mr. Chen offered to open direct trade links with the mainland. Speaking of "great goals before us in Taiwan," he called for closer exchanges between "people of common ancestry" and said he would invite top Chinese leaders to Taipei and he too desired to visit Beijing.

But, Beijing was not the main reason for the election result. The fact that the 15 million plus eligible voters elected Mr. Chen over the two main rivals with KMT credentials, is one



Mr. Chen Shui-bian, who was elected President of Taiwan on Saturday, and his running mate, Ms. Annette Lu, bow before tens of thousands of supporters at his last campaign rally in Taipei on Friday night. — AP

pointer that the primary reason for Mr. Chen's victory was the need for domestic reform. The voters favoured distancing society from the typical East Asian linkage between big business, organised crime and ruling politicians, even if it meant risking Beijing's ire. Despite the scare tactics of his opponents who told the public that voting for Mr. Chen could mean war, Mr. Chen did stick to the anti-corruption message as his primary campaign platform.

This is not to say that the Chinese Premier, Mr. Zhu Rongji's verbal threats last Wednesday and subsequent warnings from the controlled mainland media did not have an impact on the Taiwanese psyche. The Jiang Zemin-led Chinese Communist leadership can console itself that the island had thrown out the politics and methods of the outgoing President, Mr. Lee Teng-hui.

But, before it begins to work on some creative ways to accommodate an island that has practically become a respected nation, the

Communist Party must find a way to rapidly backtrack from the frenzy it had whipped up over the past few weeks. Coincidentally, mainland China's own Parliament that ended its annual session on Wednesday focussed on corruption and used Taiwan as a diversion.

It will take a little while for Beijing to wake up to reality and bring its conservatives and the military to accept the results of Taiwan's "local elections" but, contrary to what some observers might have expected, the U.S. Seventh Fleet and China's new destroyers are not sailing to do battle.

AFP reports:

China enforced a virtual blackout on Taiwan's polls today, but analysts warned of trouble if Mr. Chen did not immediately recognise Beijing's sovereignty over the island.

Both the Foreign Ministry and the Taiwan Affairs Office of China's Cabinet refused all comment on the poll result, and news bulletins made no mention of the elections at all.

THE HINDU
19 MAR 2000

TAIWAN / CHINA SPEAKS IN CONCILIATORY TONE

Chen to pursue reforms

By F. J. Khergamvala

TOKYO, MARCH 19. As Beijing responded cautiously to the overtures of Taiwan's new President-elect, Mr. Chen Shui-bian, the winning reformer made it clear that his first priority was change at home.

Mr. Chen's victory celebrations were tempered by the sombre realisation that his 13-year-old Democratic Progressive Party (DPP) controls only 33 per cent of the seats in Parliament while the Opposition Kuomintang Party (KMT) had 55 per cent. His efforts to consolidate power after he takes over on May 20 may be helped by the fact of the DPP's hold over 70 per cent of seats in local councils. Furthermore, the humbled KMT might make his job easier.

The island's 49-year-old chief executive-elect heard the welcome news this morning that a KMT defector, Mr. James Soong, who, with nearly 37 per cent of the votes came second to Mr. Chen in Saturday's election, may form a new party. Mr. Soong is certain to draw away support from the KMT, because, of the 82.69 per cent of the eligible voters, only 23 per cent voted for Mr. Lien Chan, the KMT candidate. This suggests that had Mr. Chen had only one opponent, he might have continued on the Opposition benches.

Mr. Chen must move very early on the domestic front to draw up a reformist legislative package. He has no choice but live up to his earlier image as the Taipei Mayor who cleaned up a corrupt capital, because it was on the expectation that he would do this on a national scale that he was elected. China-related factors were important, but secondary.

China's early reaction to Mr. Chen's win seemed to acknowledge that the man who was the candidate of a party that was founded on the ideals of an independent Taiwan will need time to transform himself from an idealist to a pragmatic politician. Mr. Chen, on his part, seemed to pre-empt any harsh reaction from the mainland by making specific of-

fers of enhancing linkage across the Taiwan Straits.

Predictably, standing his ground on the question of Taiwan being included in the "one country two systems" (modified) pattern, which he described as "unacceptable", Mr. Chen said he aimed at "permanent peace," said "no" to earlier intentions of a referendum on Taiwan's future, a change in the Constitution and the flag, "unless attacked by the mainland." Considering that he will continue to come under pressure from a strong lobby in his DPP that demands full nationhood and all that it entails internationally, Mr. Chen's words may be read in Beijing as an early and welcome attempt at providing pragmatic leadership to the party rather than bowing to a hardline constituency.

Climbing down hastily from its pre-election threats, China said it would be willing to talk to "any party, organisation or person," provided it is conditioned on the "one-China" principle. Beijing added that it would listen to Mr. Chen's words and watch his deeds. This could be construed as an early sign of welcoming Mr. Chen's offer of holding talks on direct links with the mainland and easing investment rules. Mr. Chen has already distanced himself from the KMT on the "three directs" — trade, transport and postal links with China.

This job may be entrusted to the 1986 Nobel Prize (chemistry) winner, Mr. Lee Yuan-tseh, who quit his job as the head of the Academia Sinica, to join Mr. Chen. Mr. Lee is being spoken of as the Premier of the Chen era.

Behind the rhetoric and the bamboo curtain, the two separate economic and trading entities have little choice but to consolidate and build on the \$ 35-billion investments from Taiwanese on the mainland and the \$ 14-billion merchandise trade in 1999, up 9 per cent since last year, despite the trade in harsh words.

The Taiwan market will react to Mr. Chen's win when the benchmark Taiex opens on Monday. Helping Mr. Chen consolidate

power at home and building ties with China will be a new breed of young dotcom and "chip" multi-millionaires who will replace the decrepit business tycoons who grew up with the decadent KMT. Reuters, AP report:

The United States President, Mr. Bill Clinton, congratulating Mr. Chen on his election, today urged Taipei and Beijing to begin constructive talks to improve relations. "I believe the election provides a fresh opportunity for both sides to reach out and resolve their differences peacefully through dialogue," Mr. Clinton said in a statement. Asian countries joined the U.S. in urging China and Taiwan to embrace a fresh era of meaningful dialogue. aid. In Tokyo, a statement by the Japanese Foreign Minister, Mr. Yohei Kono, said: "Japan expects that under such new circumstances, the issue relating to Taiwan will be settled peacefully through direct dialogue between the parties on both sides of the Taiwan Strait and that this dialogue will be promptly resumed."

Lee quits party post

Hurling eggs and sticks at rows of baton-wielding police, thousands of protesters vented their anger at the Taiwan President, Mr. Lee Teng-hui, today and finally got what they wanted: Mr. Lee's resignation as the Kuomintang Party's chairman. The furious crowd of about 3,000 surrounded the party headquarters late afternoon, getting into shoving matches with police as they demanded Mr. Lee quit the party's top post to take blame for its humiliating election defeat yesterday, after more than a half century in power.

The scene was ugly even as top party officials arrived for a closed-door meeting, only to see protesters use rocks and flag poles to smash the windows of their luxury cars. And things got worse with police eventually using water cannon to try to disperse the crowd.

Several protesters and at least one police officer suffered what appeared to be minor injuries.

THE STATESMAN

20 MAR 2000

Protests rock Taipei after Nationalist defeat

ASSOCIATED PRESS

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TAIPEI, March 19. — Hurling eggs and sticks at rows of baton-wielding police, thousands of protesters vented anger at President Lee Teng-hui today by demanding he resign to take responsibility for the Opposition's victory in the weekend presidential election.

The furious crowd of about 3,000 surrounded the Nationalists' headquarters late in the afternoon. Protesters jostled with police and tear-gas frayed — as party leaders met inside the building.

After the meeting, a spokesman of the Nationalist party said Mr Lee would resign his powerful position as party chairman in September.

"Chairman Lee Teng-hui will form a party reform committee and hold a party congress in September to elect top officials and after that he and the party secretary-general and other leaders will resign en masse," the spokesman said.

Using large rocks and flag poles, protesters smashed the windows of luxury cars shuttling party leader to the meeting.

At least one protester was knocked

unconscious, but it was not clear how he had been hit or by whom.

With blood streaming down his face, the man was carried away by other protesters as police used sticks to halt an advance by the crowd.

Police used water cannons to try to disperse the crowd but at first succeeded only in moving people around.

The huge smiling face of the Nationalist candidate, Mr Lien Chan, looked down at the crowd from a massive campaign poster on the side of a nearby building. Mr Lien finished third in the vote, capturing a dismal 23 per cent in the three-way

race. Many in the crowd supported Independent James Soong, who finished second.

The Nationalists expelled Mr Soong after he fell out with President Lee, who is retiring. Many in Taiwan blame the party's defeat on the split. Matters were made worse today with Mr Soong announcing that he would form a new political party, as yet unnamed, "to represent mainstream Taiwan values".

At one point in the protests, an elderly man spat at a banner with Mr Lee's name painted on it, saying

"You're full of rubbish!" while another brandished a paper sign with China's first Communist leader Mao Tse-tung on it, chanting: "Who wants war?"

"Don't get us wrong. We respect Chen's victory, because that's what democracy is all about. But things have to change," said a banker who gave his surname as Yang, pulling out his blue and white credit card-sized party membership card.

Smoking at the nearby Chiang Kai-shek Memorial Park, Yang, 36, said Mr Chen was good for the country. Mr Chen's anti-graft, pro-democracy

platform could force the massive Nationalist Party machinery to change, he said.

But many felt Mr Chen's outspoken nationalism could spark another row with Beijing's leaders who have long advocated reuniting with Taiwan — possibly even a war.

"The Nationalist Party is the only one who can make peace with China because the Communists believe in them," said 51-year old former Colonel Lin Chia-hong, while holding up an oversized flag of the Republic of China, as Taiwan formally calls itself.

Chen ready to discuss 'one-China'

TAIPEI, MARCH 20. Taiwan's President-elect, Mr. Chen Shui-bian, in his first response to China's call that Taipei return to the "one-China policy," today said he was willing to discuss the policy with Beijing.

"I am willing to discuss any subject, including the 'one-China policy,' with Beijing, so long as 'one-China' is not a principle or pre-condition for holding talks," Mr. Chen said. He made the remark while meeting Mr. Chang Jung-Fa, Mr. Chen's new Cabinet Adviser. After winning the election on Saturday, Mr. Chen had said he and his Vice-President were willing to take a "reconciliation and communication trip" to China before he was sworn in on May 20.

Reacting to Mr. Chen's remarks, the Chinese President, Mr. Jiang Zemin, said he welcomed talks but only on the principle of "one China". Chinese state radio quoted Mr. Jiang as

saying, "We have said in the past, and we still think that no matter who is in power in Taiwan, we welcome him to come to the mainland for talks. At the same time, we can go over to Taiwan. But dialogue or talks should be on the basis that he first of all recognise the one-China principle. Under this precondition, anything can be discussed."

But China's Taiwan experts sniffed at Mr. Chen's offer, saying Beijing needed to observe him for a long time — particularly what he says about the "one-China policy" in his inauguration speech — before making a judgement on him. Beijing insists there is one China and Taiwan is its province. Taiwan, seat of the exiled Chinese nationalist government since 1949, claims China's situation is like that of the former East and West German states as well as North and South Korea — a nation divided by war.

At a meeting in Hong Kong in

1992, Beijing and Taipei negotiators agreed that each side could keep its own interpretation of what is one China. So, while Beijing claims there is one China and Taiwan is part of China, Taipei says there is a historically and culturally one China, it is a divided country ruled by two Governments. This consensus was broken in July 1999 when the President, Mr. Lee Teng-hui, redefined Taiwan-China ties as "state-to-state relationship." Beijing halted resuming bilateral talks and threatened to use force to recover Taiwan if Mr. Lee took concrete action to seek independence. In a related development, Taiwan's Defence Ministry today dismissed a Hong Kong press report that Chinese troops were massing along the Fujian coast. "We have not detected unusual troop movements on the mainland. There are only regular troop movements." — DPA, Reuters

THE HINDU
21 MAR 2000

Taiwan winners mull shift in freedom policy

6-11-2000
9-9-2000

Taipei, March 22 (AP): The next Taiwanese President's party today began mulling over possible changes in its pro-independence platform — a major barrier to talks with rival China.

Since Chen Shui-bian won the vote, some influential party members have said that the Democratic Progressive Party should drop its support for an islandwide referendum on whether Taiwan should declare independence.

The proposal also called for a revision of vaguely worded references in the party's constitution referring to the island as the independent "Republic of Taiwan," instead of the official name, "Republic of China."

Changing the party's platform might help Chen start talks with Beijing, which yesterday repeated that it would never deal with someone who belongs to a pro-independence party.

The party's central committee — including Chen — discussed the issue today. "Right now it's impossible to drop the pro-independence stance because it has to be approved by all the delegates. That is how we make policies," said Lin Yi-hsiung, DPP chairman.

None of the members of the party's central committee objected to reviewing the platform, and party delegates will take up the proposal at a general meeting sometime in the future, said party spokesman Yu Shyi-kun.

Beijing has long opposed the party's policy and has insisted the two sides reunify eventually or face war. China and Taiwan split in 1949 when the Communists took over the mainland.

US mission

Praising the island's vibrant democracy, a former Indiana congressman began a mission for Washington today to figure out how serious Taiwan's next President is about avoiding a war with China.

Lee Hamilton touched down in Taipei hours after another US envoy Richard Holbrooke wrapped up talks with Chinese leaders in Beijing, saying he was encouraged by China's cautious attitude with Taiwan.

In a brief statement at Taipei's airport, Hamilton praised the "strength and vitality of Taiwan's democracy."

"I also wish to congratulate President-elect Chen and look for-

ward to meeting him and learning more about the policies he seeks to carry out," said the Democrat who's an expert on Chinese affairs.

Hamilton, a presidential emissary to Taiwan in everything but name, was travelling as a private citizen because Beijing would fiercely protest a visit by an official US envoy. China insists that Taiwan is a Chinese province and should not have official exchanges with other nations.

But Washington did send an official envoy to Beijing, UN ambassador Richard Holbrooke, who spent two days meeting with Chinese leaders, including President Jiang Zemin.

Before leaving China today, Holbrooke said he was encouraged by China's "wait-and-see attitude" following Taiwan's second-direct presidential election.

"We felt there was a constructive atmosphere on the question of Taiwan," Holbrooke said. "What is mildly encouraging is that everyone has reacted to the new circumstances with prudence and caution." He urged the two rival governments to negotiate and also repeated US support for Beijing's position.

THE TELEGRAPH
23 MAR 2000

Ripples on China sea

2002 KFD
THE VICTORY of pro-independence Democratic Progressive Party (DPP) candidate Chen Shuibian in Taiwan's presidential election is a snub to the Chinese. The war hysteria created by the Chinese leaders was perhaps intended to scare the Taiwanese voters away from Mr Chen. Prime Minister Zhu Rongji had personally warned the voters not to vote for him. The belligerence shown by China was uncalled for though it is not difficult to understand the reasons.

The aggressive posture towards Taiwan is perhaps a sign of Beijing's nervousness over the continuing unrest in Tibet and inability to solve the Taiwan problem. The renewed anti-Chinese mood in the US Congress and a new pragmatic shift in American policy towards India may have also created a sense of uneasiness among the Chinese leaders. However, no less significant is the ongoing power struggle in the ruling communist party hierarchy over corruption and other issues. The hype on Taiwan was perhaps a diversionary tactic to shift attention of the party congress from internal corruption. According to some strategic thinkers, since the military has pushed for bigger budgets, aggressive postures towards Taiwan made a lot of sense.

The president-elect in Taipei has offered an olive branch to the Chinese by calling for peace and wider economic links with the mainland. Mr Chen has said that he wants to be a "peace-maker and not a trouble-maker". The Chinese leaders too have somewhat moderated their tone. Despite the conciliatory gestures, however, Sino-Taiwan ties will remain potentially explosive. Even though the vote was against 50 years of murky links between business, politics and crime, and the cronyism of the Nationalist Kuomintang Party (KMT), Mr Chen is unlikely to relent on his party's independence plank. At the same time, the new leader would need to rule by creating a broad consensus. He has done well to shy away from provocative references to Taiwan's independence. But China is still unsure about how to deal with the breakaway province.

THE HINDUSTAN TIMES
23 MAR 2000

Chen party mulls over softer line on China ties

ASSOCIATED PRESS, REUTERS

TAIPEI, March 22. — The Democratic Progressive Party, whose candidate has won Taiwan's presidential election, today began mulling over possible changes in its pro-independence platform — a major barrier to talks with China.

Taiwan's television stations meanwhile announced that outgoing President Lee Teng-Hui will resign his party's leadership on Friday, handing over reins to presidential candidate, Mr Lien Chan.

Lawmakers and protesters have blamed the retiring President for the party's embarrassing loss in Saturday's election and have called for his resignation as Nationalist chairman. On Sunday, he said he would step down in September, but this did not satisfy his critics.

Since Mr Chen Shui-Bian won the vote, some influential party members have said that the Democratic Progressive Party should drop its support for an islandwide referendum on whether Taiwan should declare independence.

A DPP central executive committee meeting ended inconclusively today, with the decision to kick the issue over to the party's policy committee for further study, secretary-general You Hsi-kun told a press conference.

"The central executive committee has no way of making a decision," he told reporters. "After discussion, we reached a consensus and decided to send it to the policy committee for further study."

Seeking to lower the temperature with Beijing, DPP legisla-

tor Chen Zau-nan, a member of the executive, proposed replacing a clause in the party charter demanding a "Republic of Taiwan".

He proposed a vaguely worded formula asserting Taiwan's status as a "sovereign independent country". In other words, the party would not actively push for independence by changing Taiwan's official name — the Republic of China — but simply recognise what most people on the island already consider a reality.

Such a formulation would not be acceptable to Beijing, which regards Taiwan as a breakaway province and has threatened to invade if the island declared independence. But it would remove the most incendiary part of party doctrine.

Changing the party's platform might help Mr Chen start talks with Beijing, which yesterday repeated that it would never deal with someone who belongs to a pro-independence party.

"Right now it's impossible to drop the pro-independence stance because it has to be approved by all the delegates. That is how we make policies," said Mr Lin Yi-hsiung, DPP chairman.

None of the members of the party's central committee objected to reviewing the platform, and party delegates will take up the proposal at a general meeting sometime in the future.

Beijing has long opposed the party's policy and has insisted the two sides reunify eventually or face war. China and Taiwan split in 1949 when the Communists took over the mainland.

THE STATESMAN

23 MAR 2000

Taiwan's DPP stalls on independence

TAIPEI, MARCH 22. Taiwan's Democratic Progressive Party, swept to power in presidential elections last week, ended a meeting today with no decision on whether to scrap its demand for a separate state.

Its central executive committee decided to kick the issue over to the party's policy committee for further study, the secretary-general, Mr. You Hsi-Kun, told a news conference.

"The central executive committee has no way of making a decision," Mr. You told reporters. "After discussion, we reached a consensus and decided to send it to the policy committee for further study."

Seeking to lower the temperature with Beijing, the DPP legislator, Mr. Chen Zau-Nan, a member of the executive, proposed replacing a clause in the party charter demanding a "republic of Taiwan".

He proposed a vaguely worded formula asserting Taiwan's status as a "sovereign independent country." In other words, the party would not actively push for independence by changing Taiwan's official name — the Republic of China — but simply recognise what most people on the island already consider a reality. Such a formulation would not be acceptable to Beijing, which regards Taiwan as a breakaway province and has threatened to invade if the island declared independence. But it would remove the most incendiary part of party doctrine.

Meanwhile, a senior DPP member today held open the possibility that the island's controversial \$5.3 billion fourth nuclear power plant may go ahead despite party opposition.

The DPP leader, Mr. Chen Shui-Bian, pledged to scrap the project during his successful run for the presidency.

However, Mr. Chen's campaign manager said the reaction of international suppliers and contractors would have to be taken into account before any decision was taken to mothball the partially-completed facility.

"Basically, we oppose any new nuclear power plant in Taiwan, and this was the position held by Mr. Chen Shui-Bian during his presidential campaign," Mr. Chiou I-Jen told Reuters.

"But we have to look into such matters as whether killing the project would spark protests and disputes from foreign firms contracted to supply facilities," Mr. Chiou said.

Chen seeks peace with China

Taiwan's President-elect, Mr. Chen Shui-Bian, said today he sought eternal peace with China, describing it as a "sense of mission."

"I believe pursuing eternal peace in the Taiwan Strait is definitely our top goal," Mr. Chen told reporters before paying a courtesy call on Mr. Koo Chen-Fu, who was Taiwan's top envoy to China under the departing President, Mr. Lee Teng-Hui.

"It is also our moral obligation," Mr. Chen said. "We have a sense of mission and urgency."

"We need to stabilise our political and economic order no matter what," he said, adding that relations between the two sides were of the utmost importance.

China, alarmed at the prospect of Mr. Chen winning last Saturday's presidential elections, stepped up threats against the island's voters in the run-up to the polls. However, China's reaction to the result has been measured, saying it would watch Mr. Chen's words and deeds. — Reuters

THE HINDU

23 MAR 2000

People's pressure forced Lee out, says China

BEIJING, MARCH 24. Taiwan's outgoing President, Mr. Lee Teng-hui, today resigned as leader of the ruling Kuomintang Party (KMT), taking full responsibility for the debacle of the party in the March 18 presidential polls in the island.

"The reasons behind this setback are various but as KMT Chairman, I have to take full responsibility. I resign now and I recommend that (outgoing Vice-President) Lien Chan be acting Chairman," Mr. Lee said in a statement.

Since the KMT's humiliating defeat, protesters have demonstrated outside the party headquarters, demanding Mr. Lee's immediate resignation as party Chairman.

China, which is closely monitoring the political upheaval in Taiwan, which it claims as a rebel province, immediately flashed the news of Mr. Lee's resignation.

The official Xinhua news agency reported that Mr. Lee was forced to announce his resignation due to mounting public pressure.

Mr. Lee, who firmly believes in Taiwan's independence, had angered Beijing last year by redefining China-Taiwan relations as state-to-state, prompting China to warn of resolute actions to stop Taiwan's independence.

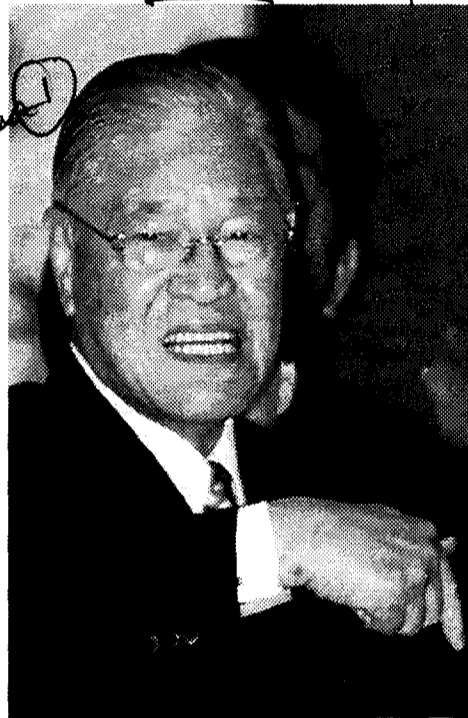
Noting that after the defeat of the KMT, demands for Mr. Lee's resignation became louder and louder, Xinhua said he had earlier planned to step down in September.

However, calls for Mr. Lee's immediate resignation became stronger with protests spreading from the KMT headquarters to other parts of the island and overseas, the state-run news agency said.

The pro-independence candidate, Mr. Chen Shui-bian, won the presidential election, much to the discomfort of China's Communist Party leadership.

Senior party leaders had openly urged Taiwan voters to shun Mr. Chen, whose Democratic Progressive Party (DPP) favours the island's independence.

Analysts say many in Taiwan and Beijing suspect that Mr. Lee secretly supported Mr. Chen since he thought that the KMT candidate, Mr. Lien Chan, could not defeat his rival, Mr. James Soong, who earlier quit from the KMT. Mr. Soong finished second while Mr. Lien came third.



The outgoing Taiwanese President, Mr. Lee Teng-hui, enters an emergency meeting of the Kuomintang Party where he announced his resignation as its chairman on Friday. — AP

China has acted cautiously to Mr. Chen's victory, saying it would watch his words and action.

The Chinese President, Mr. Jiang Zemin, said Taiwan and the mainland could resume negotiations on early reunification of the motherland once Mr. Chen acknowledged the "one-China" principle. Under this principle, everything could be discussed, he said.

Mr. Lee's resignation also comes in the wake of the visit of the U.S. President, Mr. Bill Clinton's unofficial envoy, Mr. Lee Hamilton, to Taipei to ease cross-Straits tension after Mr. Chen's victory. — PTI

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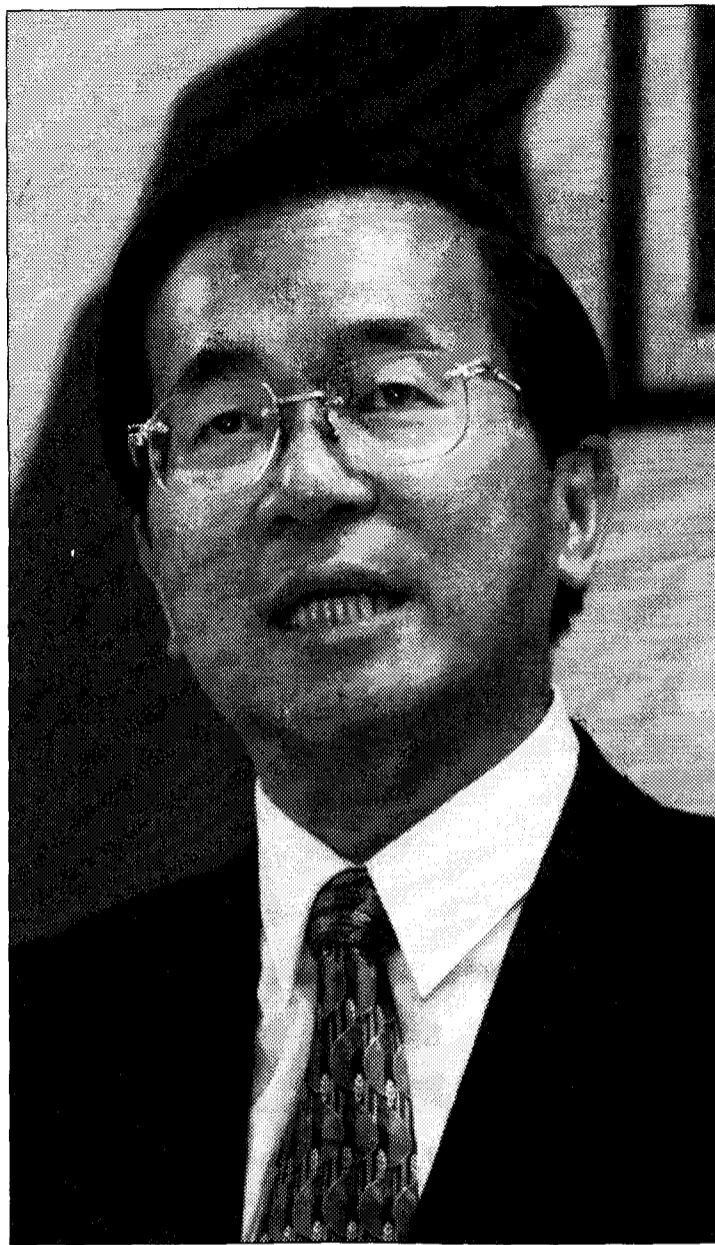
Chen and China

China's Jiang Zemin regime and Taiwan's new Chen-led Government will probably continue to exchange words, but both now have to spend time to tame their respective conservative lobbies, writes F. J. KHERGAMVALA.

EIGHT DAYS ago, Taiwan did itself proud by changing a Government at the hustings. By the ballot, not by the bullet, as the cliché goes. This lesson could not have failed to sink in, even among the mainland Chinese who do feel a sense of patriotic duty to reclaim the island. The fact that the winner of Taiwan's second-ever direct Presidential election was Beijing's most hated candidate, adds salt to the wounded psyche. Yet, stranger things have happened. And they began happening soon after Mr. Chen Shui-bian won the elections. It is too early to say, but the 49-year-old candidate fielded by the 13-year-old opposition party, the Democratic Progressive Party (DPP), may confirm the truism that hawks make peace.

Beijing knew that it could do nothing to prevent Mr. Chen from being elected, but realising that the three main candidates (among five) were running very close, China began an official and media barrage to scare off the Taiwanese voter from electing Mr. Chen. It didn't work for Beijing. It did for Mr. Chen, who secured 39 per cent of the votes polled. Mr. Chen beat back the challenge from Mr. James Soong, a former Kuomintang party (KMT) secretary-general, who split the pro-KMT support and got 37 per cent of the vote, thus relegating the official KMT candidate, Mr. Lien Chan, to 23 per cent. Mr. Chen's victory was certainly not attributable to a backlash to the rhetoric coming out of Beijing. But, it is accurate to say that the Taiwanese voter elected Mr. Chen in the full knowledge that the result would anger the mainland Communist leadership.

Many factors came together to favour Mr. Chen. First, the



Taiwan's President-elect, Mr. Chen Shui-bian... not overawed by China.

KMT split. The rank and file clearly wanted Mr. Soong as the candidate, but the all-powerful President, Mr. Lee Teng-hui, went with his lacklustre Premier, Mr. Lien Chan. Mr. Soong, a former Governor of Taipei province, quit the party and stood as an independent. The fact that he got just two per cent less votes than Mr. Chen suggests beyond doubt that had the KMT rank and file remained loyal to one candidate, the party would have won. That said, Mr. Chen still was a formidable candidate. Among the three, he was the only native-born and native Taiwanese-speaking candidate. Mr. Soong's registered domicile was on the mainland and Mr. Lien Chan was born on the mainland. It is important to remember that nearly 80 per

cent of the electorate is Taiwan-born.

Perhaps the biggest factor underlying Mr. Chen's victory was his record and his campaign as a crusader against corruption, synonymous with over half a century of KMT rule. Called "black gold", this nexus of the KMT, its cronies in big business and organised crime had aroused intense anger among the people.

Mr. Chen drew attention to this factor throughout and the public believed him. They believed him because Mr. Chen as Mayor of Taipei made a serious attempt to clean up the city and paid a heavy price when his wife was nearly paralysed in an "accident", which none believes was one. On the eve of the elections,

Taiwan's foremost academic left his Government job and subscribed his loyalty to Mr. Chen, thus getting them both more respect.

Within an hour of the official count declaring him the winner, Mr. Chen seized the initiative from Beijing by setting out that he will not declare independence, nor hold a referendum on that issue, nor alter the flag or the Constitution. Instead, said Mr. Chen, he would support the opening of direct trade, postal and transport links with the mainland. This in itself was a major initiative. Now, there is talk of the DPP amending its charter that pledges to seek sovereignty.

China reacted, if not entirely positively, then quite moderately to the Chen victory. In contrast to the heavy-handed warning given by the Premier, Mr. Zhu Rongji, to Taiwanese voters to select carefully "or else", Beijing said that it had noted Mr. Chen's remarks and it was carefully listening to his words and watching the deeds of this winner of the "local election" in a Chinese province.

A few days later, the President, Mr. Jiang Zemin, was quoted by Xinhua news agency as telling the visiting Congolose leader that Taiwan must recognise the one-China principle. Mr. Chen's reply was that he was willing to visit the mainland and begin talks on the meaning of one-China but would refuse to negotiate with the pre-condition that he announce that Taiwan was part of one China.

Mr. Chen's priority must be at home. He and his DPP hold 70 per cent of the seats in the island's local councils, but in Taiwan's main Assembly, the KMT has 55 per cent of the seats to Mr. Chen's party's 33 per cent. Local reforms, therefore, will be very difficult. Moreover, there is a strong core within the DPP which will oppose anything but independence.

China's Jiang Zemin regime and Taiwan's new Chen-led Government will probably continue to exchange words, but both now have to spend time to tame their respective conservative lobbies. China's initial disappointment, anger and anxiety at a Chen victory may have been mitigated by the ongoing strife within Taiwan's KMT which will most likely get rid of China's enemy number one, bar none, Mr. Lee Teng-hui.

The lesson from Taiwan

People in Hong Kong should have the right to elect their government the way the Taiwanese do, says EMILY LAU

EARLIER this month I led a Frontier delegation to Taipei to observe the presidential election held on 18 March. What we saw was deeply moving — hundreds of thousands of people turning out at rallies is something totally unknown in Hong Kong. We were fascinated by the vigour, determination and sense of purpose of the Taiwanese people. They know they are masters of their own house and are proud to show it.

The strong mobilisation by the political parties is breathtaking, resulting in a record 82 per cent voter turnout rate. Although I have been to Taipei to observe elections before, the recent election the most significant. Chen Shui-bian's triumph was not only a victory for himself and the Democratic Progressive Party, but a milestone in the Taiwanese struggle for democracy. Mr Chen and many of his DPP colleagues had been persecuted by the Kuomintang (KMT). It is their suffering and sacrifices which laid the foundation for Mr Chen's surprise victory.

Throughout the election campaign, many people expected KMT candidate Lien Chan or independent candidate James Soong to win. Thus, in the final week of the campaign when it became clear that Mr Chen would win, many were stunned, including government officials in Beijing and Washington DC.

Some people attributed Mr Chan's narrow victory to the secret support he received from President Lee Teng-hui, because a number of Mr Lee's tycoon friends have publicly switched their support to Mr Chen. Regardless of how and why Mr Chen won the election, his victory marks a significant turning point. For the first time in Chinese history, there is a peaceful transfer of power by universal suffrage. After running Taiwan for 55 years, it's about time the KMT stepped down.

I hope the leaders in Beijing would emulate the KMT leaders and find the wisdom to open up the system and allow the Chinese people to have a say. We in Hong Kong should have the right to elect our government the way the Taiwanese do.

While I have a lot of admiration for the Taiwanese people's courage and tenacity, I am deeply dismayed and disturbed by the level of corruption and the involvement of gangsters in the political process. During the briefings we received in Taipei by aides of the five candidates and independent

academics, we were told that many elected politicians were tainted by the so-called "black gold", a mixture of gangsterism and big money. A political science professor said it could take two to three decades to clean up the system. We were told one election rally alone cost about (NT)\$100 million.

In the past, I have told President Lee and other senior KMT officials that "black gold politics" had seriously damaged Taiwan's international reputation and something had to be done to root out the problem. This is definitely something Hong Kong does not want to learn from Taiwan.

Corruption aside, there is no doubt many Hong Kong people were moved by Mr Chen's election. Just a few days before polling, Chinese Premier Zhu Rongji launched a scathing attack on the separatist movement in Taiwan. The dressing down was clearly aimed at intimidating the people by threatening dire consequences if they choose Mr Chen. Not surprisingly, many Taiwanese did not buckle under. Such fighting spirit is admirable.

The Taiwanese election stirred up much interest in Hong Kong. No less than 14 delegations and many

individuals flew to Taiwan to witness this historic occasion. The Hong Kong news media also flocked to Taiwan to cover this big news event.

Many Hong Kong people would like to emulate the Taiwanese by having the right to elect our government, although no institution has made an attempt to gauge the public mood by conducting opinion surveys. I guess the establishment does not want to know what the people want. Some television commentators even stressed that the Hong Kong people were pragmatic, meaning they just want a quiet life and no political confrontation.

The lesson from Taiwan is that democracy does not fall like manna from heaven. If the Hong Kong people do not assert themselves and are not prepared to make sacrifices, no progress will be made.

The message from Taiwan is loud and clear — the Chinese people can handle democracy. The question the people of Hong Kong must ask is: if the Taiwanese can do it, why can't we? After the euphoria in Taiwan, it's time for soul searching in Hong Kong.

The author comments regularly on Hong Kong and China affairs)

China navy acquires ^{from} Russian destroyer

ASSOCIATED PRESS *CG-11*

TAIPEI, Feb. 10. — A new Russian-built destroyer will cruise through the Taiwan Strait tomorrow night or early on Saturday, to join the Chinese navy, posing a new threat to US and Taiwanese ships, a local newspaper reported today.

The Sovremenny class destroyer will be part of the East China Sea fleet at the eastern port in Ningbo, facing the Japanese island of Okinawa, the China Times quoted unidentified high-ranking Taiwanese military officials as saying.

The guided-missile destroyer will be in a good position to intercept US warships in Okinawa, Japan, that can protect Taiwan from a Chinese attack, the newspaper, one of Taiwan's leading Chinese-language dailies, said.

A Taiwanese military spokesman, speaking on customary condition of anonymity, would not confirm the ship's reported date of arrival, but said the ship was expected "soon." The spokesman declined to speculate on China's plans for the destroyer or whether it would be used to counter US naval force in the East China Sea. //

THE STATESMAN
11 FEB 2000

FOCUS ON TAIWAN

The Chinese are in a bind

THE wonderful part is that the Chinese don't think they are in a bit of a quandary over Taiwan. They see it simply as an extension of the process that began with Hong Kong and will come to an end in Taipei. Taiwanese laugh at it openly. The vocabulary of the cross-straits dialogue has changed. What Taiwan is now telling the mainland is that the terms of reunification are to be decided bilaterally by the two countries, in consonance with the wishes of the Taiwanese people, without coercion. For Beijing, Taiwan is a matter of right: it is theirs. Jiang Zemin and his foreign minister have warned that any attempt to declare independence will mean war. For the Taiwanese, it is a question of preserving an independent centre of power in Taipei in the new China or, participating in power structures in Beijing, on their terms.

The stepping up of rhetoric may have something to do with the presidential elections in March this year. The KMT, though officially still in favour of reunification, is pushing the two-states theory, anathema to the Chinese, while President Lee says Taiwan will continue to "expand its foreign relations and international status". This policy will presumably be followed by his party's candidate as well. In the opposition, opinion is more radical. Chen Shui-bian of the DPP is frankly for independence, while James Soong, an independent, talks of a pact of mutual non-aggression, the kind which is signed between sovereign nations. Worse, from the Chinese point of view, opinion in favour of independence was expressed strongly in previous elections and could gather momentum. That may make it more difficult for Taiwanese leaders, functioning now within the norms of democratic politics, to compromise on Taiwan's "separateness". No one may actually declare independence, an open provocation at this stage would be strategic stupidity, the ground has not been prepared. But the Chinese fear, reasonably, that Taiwan will continue to build a case for a "separate political existence", internally and externally. It is not clear whether this in itself will unleash an invasion that would bring the US into the picture, militarily, and damage China's credit with the West. China will probably intimidate and bluster to contain the process of "separation" internationally, with the kind of legalistic tough talk it uses for Tibet.

THE STATESMAN

11 FEB 2000

No horses for courses

WORDS like freedom and democracy are anathema to an ascendant power in the new millennium. China banned a mystical sect because hundreds of thousands of its members held a silent protest in front of the Communist Party headquarters in Beijing. Some of them have been jailed for between 12 and 18 years, among the harshest punishment given to political and religious dissenters in the past 10 years. Judges at Beijing's No 1 Intermediate People's Court found some of Falun Gong's members organising and using the cult to undermine the implementation of laws and other offences, Xinhua said. The Hong Kong-based Information Centre for Human Rights and Democratic Movement estimates that 3,000 of its practitioners have been sent to labour camps for a few years. If this can be the fate of citizens on mainland China, it's understandable why the people across the Taiwan Straits harbour hopes of independence from "one China".

President Jiang Zemin told a gathering of world business leaders in Shanghai: "We oppose any effort by any country to impose its own social system and ideology on another country." Fair enough, but what if the rumblings in Taiwan grow to a jangle, accusing his country of doing the same. China is already intervening in the fragile but autonomous (since 1997) institutions in Hong Kong. The Court of Final Appeal, the highest judicial authority in the Special Autonomous Region, has reinterpreted its own rulings, giv-

Wanting freedom from China is one thing but Taiwan doesn't seem to have leaders capable enough to achieve that, writes SAMARPITA CHAKRAVORTY

ing the standing committee of the National People's Congress the right to override the Basic Law, Hong Kong's mini-constitution written with China's consent. This is likely to undermine the two-systems part of the principle of "one country, two systems".

Hong Kong's autonomous status was guaranteed only by the word the Chinese gave to the British. Most big business interests are in league with mainland policymakers. Hong Kong just about has a free media and a few popular platforms.

Portugal handed Macau back to Beijing last December after 442 years. Its 430,000 residents are predominantly Chinese and seem happy to return to the motherland. As a Special Autonomous Region, Macau can retain local autonomy for at least 50 years, under the same "one country, two systems" arrangement. Moments after the Macau handover, President Jiang sought "early settlement of the Taiwan question and the complete national reunifi-



(Left) President Jiang Zemin; bent on unification; President Lee Teng-hui; China-baiter

Taiwan has hit out against the one-country, two-systems formula. Vice-President Lien Chan said: "Wouldn't this (formula) make us all citizens of a colony?" Taiwan had been under the rule of the Manchu dynasty for eight years, from 1887 to 1895, when it was ceded in perpetuity to Japan under the Treaty of Shimonoseki. In 1945, the island was part of the Japanese empire. After Japan's defeat, Taiwan was occupied on behalf of the Allied forces by Chiang Kai-shek's Kuomintang which was fighting a losing civil war with the Communists on the Chinese mainland. In 1949, Chiang lost the war, moved his troops and government to the island and subjected the people to 40 years of martial law. During those years, the

Kuomintang authorities claimed they were the "legitimate government of all of China" and regarded Taiwan as a province of the China they didn't rule. In response, the Communist authorities claimed sovereignty over a Taiwan they didn't rule. Martial law ended in 1987. For the first time, the Taiwanese gave free expression to their desire for a democratic and independent Taiwan.

It has been reported that about 85 per cent of the people on the island do not consider themselves Chinese. Under the provisions of the San Francisco Peace Treaty of 1952, the UN decided that "the future status of Taiwan will be decided in accord with the purposes and principles of the Charter of the United Nations". The charter's Article 1.2 states it is the UN's purpose "to develop

friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples...". The treaty decided that the people of Taiwan should determine the island's future status, based on the principle of self-determination.

When President Lee Teng-hui visited his alma mater, Cornell, in June 1995 — he didn't go to Washington — the Chinese Communist leaders got the jitters. They were worried about the example Taiwan was setting in terms of democratic elections and free speech.

Both President Clinton and his national security adviser Sandy Berger recognise the "one China" line but are against the use of military force against Taiwan. Taipei's ruling Nationalist Party adopted President Lee Teng-hui's provocative statehood call in a party document last August. The party's congress, however, stopped short of including it in the island's constitution. Last July, Lee had reclassified relations with China as "special state-to-state" ties. For the first time, the controversial comments became part of a formal document.

Do the Taiwanese people want to reunify with China? Indeed, have they made any such pledge? The reality is that the Taiwanese seem to be inspired by the universal principles of democracy and human rights. What has China to show in these spheres, if it feels so threatened by a non-violent, the pursuit of happiness are surely above all else.

Taiwan's transition from a repressive Kuomintang police

state to an open, democratic system is the Taiwanese democratic movement's achievement. The latter cherishes its identity and strives to strengthen Taiwan's own distinct culture, language, social and political systems.

During its 400-year history, was Taiwan an integral part of China? It is a de facto independent country, seeking the international community's recognition.

This March, Taiwan will hold its second presidential elections. President Lee was elected in 1996. Prior to that, the presidential election was determined in a closely-manipulated process by the Kuomintang-controlled National Assembly.

The PLA lobbed missiles into shipping lanes off Taiwan in 1996 to intimidate the island's first presidential polls. The crisis did not end until Washington sent two battle carrier groups to patrol the waters near Taiwan.

Defence vice-minister Admiral Wu Shih-wen announced last December that the Taiwanese government would impose martial law in case the island was attacked by China during the polls to ensure social order was swiftly put on track should intervention of foreign forces lead to massive riots in Taiwan. Its military, however, will not heighten the alertness level if the Chinese hold war games or harass Taiwan's supplies to front-line islands. It was the first such statement made by Taiwan's military authorities, the *United Evening News* said.

The Admiral said Taiwan was prepared against any increase in Chinese infiltration and sabotage. Last June, Ting Yu-chou, then secretary-general of the National Security Council, estimated there were at least 12,000 Chinese Intelligence agents in Taiwan.

The Communist Party newspaper, *People's Daily*, said there was "not the slightest doubt" that Taiwan would be reunited.

Late this January, Chinese Vice-Prime Minister Qian Qichen in a speech threatened war against Taiwan if it moved towards independence. China has enough ballistic and cruise missiles to paralyse the island's defences with a single attack. It can strike Taiwan's war command centres, missile, sea and air bases.

Taiwan doesn't seem to have a chance. Its military, though, has strived to boost defence spending. The USA had reportedly agreed to sell Taiwan four Aegis guided-missile destroyers, which could provide launch platforms to intercept incoming Chinese missiles.

But Taipei will not give up efforts to expand its foreign relations and international status. Lee Teng-hui wants a resumption of long-stalled talks with China. A mutual non-aggression accord seems to be the need.

The three main candidates for the March polls are Lien Chan for the Kuomintang, Chen Shui-bian for the pro-independence Democratic Progressive Party, and James Soong, an Independent.

But Taiwan's own leaders are divided whether they want complete independence or to settle for the Chinese formula. Chances are that whoever comes to power will be wary about incurring the wrath of a heavyweight neighbour. Wanting freedom is one thing, and having the audacity to rally a nation to achieving that goal is another. It requires single-minded determination and international support.

Even Jose Ramos-Horta and Jose Alexandre (Xanana) Gusmao don't want to jeopardise East Timor's ties with China on Taiwan. And they know all about leading the aspirations of a people to their logical end. Taiwan just doesn't seem to have leaders of their stature.

(The author is on the staff of The Statesman, Calcutta.)

THE STATESMAN

19 FEB 2000

ASLA

Beijing begins its own 'campaign'

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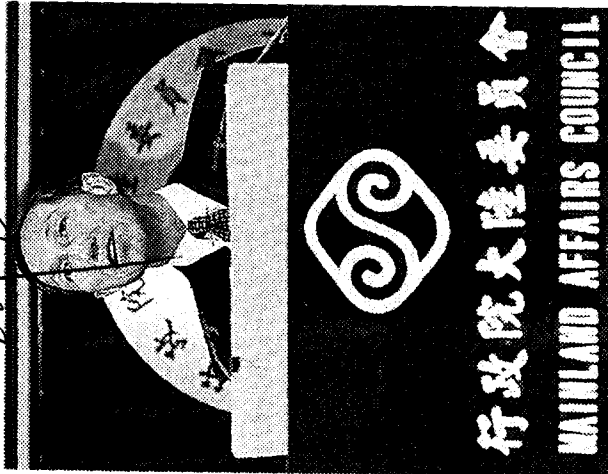
By F. J. Khergamvala

TOKYO, FEB. 22. Mainland China has begun its Taiwan election campaign as earnestly as the candidates vying for the top elected executive job in Taiwan. In the run up to the March 18 elections, the rhetoric from Beijing is likely to rise but unlike 1996, no military intimidation is likely to be tolerated.

In another indication that conservatives and the Peoples Liberation Army (PLA) have been on the ascendant, China's State Council (Cabinet) fired its first salvo at Taiwan on Monday by way of an official government position paper on Taiwan. Deliberately, rather than coincidentally, it was the same day that the campaign for the second direct Presidential election in Taiwan officially got under way.

China threatened that "if the Taiwan authorities refuse the peaceful settlement of cross strait (Taiwan strait) reunification through negotiations, the Chinese Government will be forced to take all drastic measures possible, including the use of force." The statement was issued in a White Paper that seemed to reflect more the views of the PLA than the civilian leadership whose moderation was challenged after the U.S. bombing of the Chinese Embassy in Belgrade during the Balkans campaign last year.

The other main elements constituting the Chinese missile were that China would be right in attacking the island if the U.S. continued military sales to Taiwan; Taiwan officially changed its Constitution which acknowledges there is 'one China'. Each of these elements, though apparently directly threatening in tone, has vagueness built into them to satisfy a radical domestic constituency on the mainland, meet silent U.S. warnings to keep a hands-off policy on Taiwan's elections and send a warning to Taiwan to, at the very least, maintain the status quo.



Taiwan's Vice-Chairman of the Mainland Affairs Council, Mr. Lin Chong-pin, in a reply to threats from China, urging Beijing not to get bogged down in old disputes, in Taipei on Tuesday. — AP

Unless the missile is a forerunner to the 1996 type of missiles, there is not much that should disturb the region or upset either of the three main candidates to succeed Mr. Lee Teng-hui. For instance, the threat to take armed action unless negotiations were held does not carry any time frame to begin unification talks. Nor have the Taiwan leaders refused negotiations. Only some conditions have been attached.

Contrary to some implications that Beijing has modified its earlier threat to take action

only if Taiwan declares independence, the warning is indeed contained in the statement that cautions the island against changing the Constitution. Finally, the White Paper claims arms supplies to Taiwan as moral and political justification to take action but does not go to the brink in linking an actual attack if arms supplies continued.

The Vice-President, Mr. Lien Chan, who belongs to the ruling Kuomintang party (KMT), Mr. James Soong, a breakaway from the KMT contesting as an independent and Mr. Chen Shui-bian from the opposition Democratic Progressive Party (DPP) are the main candidates. The DPP is the traditional mainland baiter. The fact that polls show that Mr. Chen is right up front with the two other candidates could be one reason for the timing for Beijing's statement. It is ironic that China is known to favour Mr. Lee Teng-hui's nominee, Mr. Lien Chan to win the elections. In its White Paper, Beijing continued its slander campaign against Mr. Lee but was careful not to attack the KMT party.

In 1995 and in the weeks preceding the March 1996 elections, China held missile firing exercises across the Taiwan Strait, threatening shipping, raising the cost of premia and sending the Taipei stock exchange and the New Taiwan dollar down. The U.S. sent two carrier battle groups to the region to stay Beijing's hand. Recently, China obtained a Russian built Sovremenny class destroyer with SS-N-22 Sunburn missiles, to flaunt its blue water capability.

However, this time, in the middle of a U.S. Presidential campaign, China is aware that the tolerance threshold for any military moves is low in the U.S. and in this region still recovering from an economic crisis. The strong words as well as a 'leaked' article in a German magazine, about China's military preparedness, should relieve some frustration.

Lee calls China a 'hooligan'

TAIPEI, FEB. 26. The Taiwan President, Mr. Lee Teng-Hui, has compared China to a "hooligan" and upheld his controversial statehood claim in defiance of Beijing's renewed military threats.

"Communist China says it is going to use force if we don't talk with them. It's hegemony. China is like a hooligan," Mr. Lee told a group of business leaders at a banquet in southern Kaohsiung on Friday night. China on Monday issued a white paper on Taiwan which warned Taipei's repeated rejection of reunification talks would lead to war.

Some observers say the paper was timed to set the tone for the island's March elections and future negotiations on Taiwan's sovereignty. "Taiwan-China ties are special state-state relations. It's the basis, nothing else. Only under the fundamental framework can we talk," said Mr. Lee, who is to retire in May. The Taipei Government, which has been at loggerheads with Beijing since the end of a civil war in 1949, has demanded parity and democracy as preconditions in any reunification talks. But Beijing's white paper demands Taipei accept the concept of "one country, two systems" which it uses to rule Hong Kong and Macau. Taiwan yesterday reiterated its sovereignty, warning Beijing military threats and diplomatic pressure would only deepen cross-Strait tensions. It also urged China to resume bilateral talks and strengthen exchanges to push for better ties.

Meanwhile, a leading Chinese official acknowledged that the harshly-worded white paper was aimed at influencing Taiwan's presidential election, according to a report on Japan's NHK radio aired by Taipei's Formosa Television (FTV) today.

Mr. Zhang Mingqing, director of the Taiwan Affairs Office of China's State Council, told NHK that the white paper on "the one-China principle and the Taiwan question" issued by his office "would influence" the March 18 election. His comments to NHK were directly aired by FTV yesterday in its morning news and carried in the daily *Liberty Times*. Besides railing against Mr. Lee for promoting "separatism", the white paper rejected any path to peacefully resolve the cross-Strait confrontation except unification.

The paper also declared that China will "adopt all drastic measures possible, including the use of force" if Taiwan "indefinitely refuses to peacefully resolve the question of unification through negotiations."

In his interview with NHK, Mr. Zhang expressed concern over the Democratic Progressive Party (DPP) candidate and former Taipei city mayor, Mr. Chen Shui-Bian. "If Chen Shui-Bian is elected, the cross-Strait situation will not improve," stated Mr. Zhang, who added, "if other people are elected, the situation could change."

— AFP, DPA

THE HINDU
27 FEB 2000

RED BRINKMAN

North Korea Reaches Out To West

AS the new century sets in, North Korea engages in a diplomatic game to mend fences with not only the four major powers surrounding the Korean peninsula — the US, Japan, China and Russia — but also countries in the Asia-Pacific region and Europe, a notable departure from its decade-long isolationist policy.

While high-level talks are being planned to forge Pyongyang's diplomatic relations with Washington and Tokyo, North Korea has led its traditional allies — China and Russia — to send their foreign ministers to Pyongyang, in January and February respectively, to normalise their bilateral ties with the reclusive country, which had been soured since their "breach of faith" by establishing relations with its arch-rival, South Korea, in the early 1990s. Russian Foreign Minister, Igor Ivanov, who signed a new friendship treaty replacing a Soviet-era mutual defence pact during the Pyongyang visit, said he sensed "a wind of change" in North Korea although he did not elaborate on it.

In early January, Italy announced the opening of full diplomatic ties with North Korea to become the first G-7 nation to have such a relationship. The Philippines has made public its intent to exchange ambassadors with North Korea soon, while a high-ranking Australian delegation visited Pyongyang in late February to discuss steps to restore formal relations disrupted in 1975 over a diplomatic feud. France and some other Western countries are expected to follow suit.

SUNSHINE POLICY

Such a conspicuous advance in North Korea's diplomacy to reclaim its standing in the world community is obviously based on the confidence that the Pyongyang government headed by Kim Jong-il, initially regarded as a whimsical and precarious leader, has now been assured of stability and firm control. Pyongyang must also be assuming that its frequent resort to brinkmanship, playing its favourite card of nuclear and missile capabilities, has paid off well in dealing with the US and Japan, all the while suffering from acute food shortage and economic hardship that necessitate foreign aid.

In retrospect, after the Cold War and the subsequent disintegration of its primary mentor, the Soviet Union, in 1991, North Korea chased a brief honeymoon with South Korea to produce an epoch-making accord for mutual reconcilia-

tion, cooperation and non-aggression. However, the agreement soon turned out to be a dead letter, and North Korea opted for an intransigent policy to boost its nuclear weapons programme, which prompted Washington to step in to defuse a potential nuclear crisis by concluding a conciliatory agreed framework with Pyongyang in 1994. In return for Pyongyang shelving its controversial nuclear project that had aroused international concern, Washington promised a

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phased relaxation of its economic sanctions and provision of a light-water nuclear power plant incapable of producing material applicable to nuclear weapons.

Upon the sudden death of its great leader, Kim Il-sung, and the succession in power by his son, Kim Jong-il in 1994, North Korea wrapped itself in the cocoon of isolation, while stepping up the development of its missile capability that resulted in the stunning launch of a Taepodong-1 ballistic missile over the Japanese archipelago in 1998, a missile that Pyongyang claimed was a booster of its own satellite. Indications were that Pyongyang would test-fire the following year a longer-range Taepodong-2 missile believed to be capable of reaching Alaska and part of the West Coast of the US.

Faced with intimidation, the Clinton administration, committed to non-proliferation of weapons of mass destruction, appointed former secretary of defence, William Perry, as special coordinator of US policy toward North Korea, who subsequently ironed out a comprehensive engagement policy in October 1999 after consultations with Japan and South Korea. The policy recommendation, highlighting an overall reconciliatory tone, was somehow congruent with a policy of engagement with North Korea, nicknamed a "sunshine policy", that had been enunciated by South Korean President Kim Dae-jung shortly after assuming office in 1998.

FRAGILE THAW

In the process of finalising the policy option, Perry visited Pyongyang last May to brief its leaders on his initiative, a visit that led to a moratorium on North Korea's missile testing. A bilateral agreement has also been made for a high-level North Korean delegation to make a reciprocal visit to Washington, probably in late March, to discuss substantive issues like a full lifting of US economic sanctions, the removal of North Korea from the list of states sponsoring terrorism, and the ultimate establishment of formal relations between the two countries.

In the wake of the Perry initiative, Japan was quick to improve its ties with North Korea, burying sanctions it had imposed on Pyongyang upon seeing Taepodong-1 flying through its airspace. Japan sent a high-powered delegation led by former Socialist Prime Minister Tomiichi Murayama to Pyongyang in December to pave the way for resuming formal talks on diplomatic normalisation, now slated for March. The "thaw", featuring subtle yet visible signs of behavioural changes on the part of Pyongyang, has also led other countries to seek normal ties with North Korea.

The tactical changes may have derived in part from Pyongyang's concern about US presidential elections in November. Although no one can predict the election outcome, North Korean leaders may well be inclined to seal something before the crucial vote, lest the election of a hard-line Republican candidate louse up affordable grounds they have laboriously acquired by brinkmanship. North Korea has made it plain that it places diplomatic priority on the amelioration of its ties with the US,

the sole superpower, for its obvious spillover effect on other countries and, particularly, on future negotiations with South Korea for eventual unification.

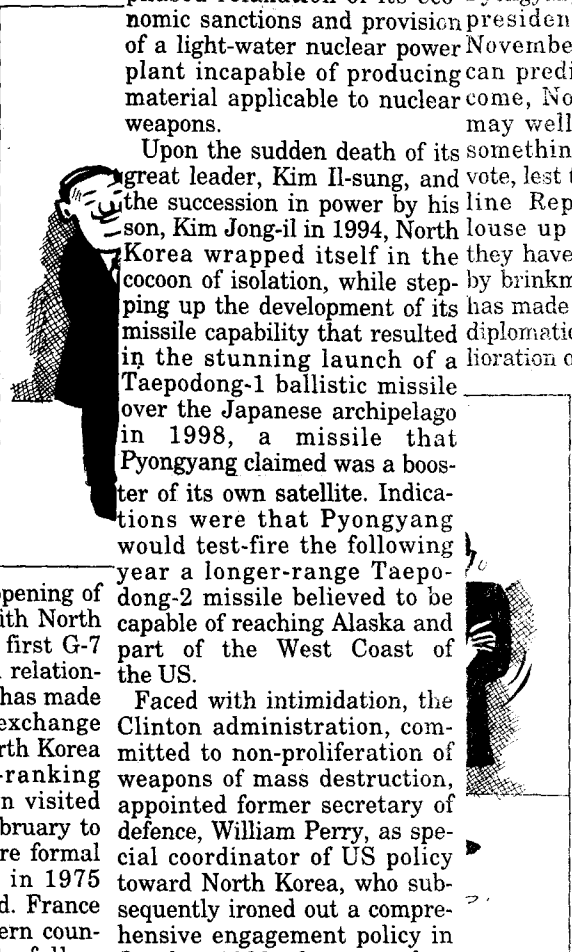
For all the tactics, Pyongyang remains committed to its proclaimed goal of building a military-based "strong and prosperous state", holding forth the prospect that forthcoming talks with Washington and Tokyo, let alone Seoul, will be tough.

North Korean leaders are cautious, if not deeply suspicious, that a Western engagement policy will undermine their socialist political and economic system, rendering it more susceptible to foreign influences. The success of engagement is predicated on changes within the North Korean regime, but the Pyongyang leaders today tend to stonewall change for the sake of their survival.

HOLDING BACK

Also to be noted is the fact that North Korea since the death of Kim Il-sung has persistently attempted to drive a wedge between Seoul and Washington, refraining from having any dialogue with the South Korean government which it dubs an American puppet. Such an approach is in sharp contrast to Pyongyang's reluctance to make deals with the US and other Western powers, as well as its accommodation of business offers made by the South Korean private sector, including the booming Mt Kumgang tourism project through which more than 170,000 South Koreans visited the scenic mountain in the north paying hefty entry fees since its launch in November 1998.

Despite the shunning by Pyongyang, South Korea which is more affluent than the north has rendered its support to efforts by the US and other countries to engage North Korea in the hope that these developments will reduce tension and bring about meaningful government-level talks between the two Koreas, to ensure durable peace and security on the Korean peninsula and territorial unification. However, how long the South Korean people can stand by the sunshine policy that has so far failed to generate any major breakthrough in inter-Korean relations is a good question. Patience is a prerequisite to dealing with North Korea which is obsessed with the fear of outside influence. But, the upcoming general elections in South Korea, slated for April, will dictate the future course of Seoul's engagement policy.



China warns Taiwan not to seek independence

REUTERS
BEIJING, JAN 2

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JUST months before Taiwan's Presidential elections, Chinese President Jiang Zemin has warned the island not to seek independence.

"China will not sit idle and tolerate any act calculated to split China, pursue the so-called 'independence of Taiwan,' or harm the fundamental interests of the Chinese people on both sides of the Taiwan straits," Jiang said in a New Year speech.

Major newspapers splashed on their front page the full text of the speech to a tea party of senior communist party officials in Beijing on Saturday. An expert on Taiwan affairs said the speech was aimed at reining in the island ahead of Presidential elections in March. Jiang stopped short of threatening to invade if Taiwan declared independence to avoid upsetting voters, said the analyst who asked not to be identified.

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China's envoy to Washington Li Zhaoxing has been quoted as saying Beijing could not accept a victory in the Presidential election by Taiwan's main opposition Democratic Progressive Party, which espouses independence from China.

Jiang stepped up pressure for Taiwan to reunify with China after the return of Hong Kong in 1997 and Macau last month. "We have reason to believe that the Taiwan issue can definitely be resolved," Jiang said. "When the time is ripe, the two sides of the Taiwan strait should enter into dialogue under the Principle of one China," he said. "Anything can be discussed."

"I have to emphatically point out that the 'One China' principle is the basis and premise of peaceful reunification." Taiwan has rejected China's 'One Country, Two Systems' formula, which granted Hong Kong and Macau a large degree of autonomy, as a way of unifying Beijing and Taipei.

INDIAN EXPRESS

- 3 JAN 2000

Taiwan official warns of China missile rain

ASSOCIATED PRESS *SFH*

TAIPEI, Jan. 8. — Within a decade, China could lob enough ballistic and cruise missiles at Taiwan to paralyse the island's defences with a single attack, a senior security adviser warned today.

"China could deploy some 900 M-9 missiles and a large number of cruise and M-11 ballistic missiles near its eastern coast facing Taiwan by then," said Mr Chen Bi-jaw, an adviser to the National Security Council.

The missiles could strike Taiwan's war command centres and its missile, sea and air bases, allowing China to gain control of the island's air space and sea lanes without giving Taiwanese forces a chance to fight back, he said at a seminar on national defence.

The Taiwanese military has strived to boost its defence spending, warning that China could gain air superiority over Taiwan by 2005 with its aggressive arms build-up.

Mr Chen said the USA agreed to sell Taiwan four Aegis guided-missile destroyers, which could provide launch platforms to intercept incoming Chinese missiles.

The military has refused to confirm reports of the sale.

THE STATESMAN

- 9 JAN 2000

Taiwan is a sovereign state, asserts President Lee

TAIPEI: Taiwan President Lee Teng-hui said on Sunday his country is an independent state and designated parity and freedom as pre-conditions for reunification with the mainland.

Lee recalled that for a long time Taipei and Beijing had went their own ways in defining the content of "one-China" after their split in 1949 at the end of a civil war. "But with the growing Chinese Communist influence in the international community, 'one-China' has been mistakenly regarded as 'the People's Republic of China,'" Lee said in a meeting with three visiting US senators Tim Hutchinson, Susan Collins, and Michael Enzi.

"This is by no means acceptable to us," Lee said. Both Taipei and Beijing claim they are the sole legitimate governments of the whole of China.

Lee, the first Taiwan-born president of the island state, said, "The republic of China (Taiwan) has been a

sovereign state" since it was established by Dr Sun Yat-sen in 1912.

Lee said that was why he had to underscore the statehood assertion in the interview with a German radio in July. "The Chinese Communist authorities must have a clear picture of Taiwan's history and the ideas of the people here," he said, two days after a US congressman said Washington did not want provocative comments from Taiwan's leadership to interfere with its fragile relations with China.

"One message I intend to give to (Taiwanese) president Lee Teng-hui is that he needs to be extremely cautious in selecting his rhetoric," said delegation leader Matt Salmon, a member of the International Relations Committee and its Asia and Pacific Subcommittee. Salmon said he did not want to see his country "sucked into a needless conflict" while acknowledging support for Taiwan was strong in the Congress. (AFP)

THE TIMES OF INDIA

17 JAN 2000

China warns Taiwan again

Beijing, January 29

CHINA HAS warned Taiwan that any attempt to pursue plans for independence would lead to war, the official media reported today.

"Taiwan independence will not mean peace but war between the two sides of the straits," and compatriots both in Taiwan and the mainland must make "concerted efforts to fight against it", Chinese Vice Premier Qian Qichen said.

Qian, a top policy maker on Beijing's Taiwan policy made these remarks here at a forum yesterday,

marking the fifth anniversary of Chinese plan to reunify Taiwan with the mainland, Xinhua news agency said.

He said the ruling Communist Party of China and the Govt would never make compromise on safeguarding national sovereignty and integrity, warning that separatists in Taiwan must not "play with fire."

China regards Taiwan as a rebel province that must be reunified with the mainland. The mainland and the island of Taiwan have been ruled separately since the end of the Chinese civil war in 1949.

Beijing has long threatened to use military force if Taiwan declares independence.

Negotiations with Taiwan could include international space for economic, cultural and social activities for Taiwan and political status of Taiwan authorities, Qian said.

Qian, who oversaw the return of Hong Kong in 1997 and Macao in Dec 1999, restated Beijing's offer of giving Taiwan more autonomy under more flexible policies than the arrangements with Hong Kong and Macao under the "one country, two systems policy". (PTI)

THE HINDUSTAN TIMES

30 JAN 2000