

APW

News & Views

November 2 – 8, 2003

ISSN 1543-1185

Vol. 7, No. 41

11 Pages

- 1) [JIAP NEWS](#)
- 2) [MEMBER NEWS](#)
- 3) [CRITICAL REPORTS](#)
- 4) [OPINION, REPORTS & STATEMENTS](#)
- 5) [WEBSITE OF THE WEEK](#)
- 6) [KEY & QUICK NEWS LINKS](#)

Copyright 2003

1. **JIAP NEWS**

This is another in our series of “catch up reports.”

Contents: COVER STORIES, JAPAN: Japan Business, Japan-Economy, Japan-Foreign Policy, Japan-Politics, Japan-Society & Culture **JAPAN RELEVANT:** Australia, China-Economy, China-Foreign Policy, China-Trade, Foreign Policy, Global Economy, Indonesia, Intellectual Property, Iran Issues, Iraq Issues, Leadership, North Korea, Obituary, Science & Technology, South Asia, South Korea, Southeast Asia, Taiwan, Trade, US Economy.

Contact

If you have any comments/suggestions please contact Japan Information Access Project (JIAP) Asia Policy Calendar & Weekly Editor Ms. Mindy L. Kotler or access@jiaponline.org
<http://www.jiaponline.org>

About JIAP

JIAP is a Washington-based nonprofit, membership research center studying Japanese and Northeast Asian science, technology, security and public policy.

Established in 1991, the JIAP is a trusted member of the U.S. policy community interested in Japan and Asia. The Project specializes in introducing to Washington the best "outside-the-Beltway" scholarly research and analysis on critical Asia policy issues. The goal is to strengthen international understanding of Japanese and Northeast Asian science, technology, economic and security policy. Through a range of programs and publications, the Project educates its members, policymakers, and the public to use knowledge of Japan and Asia to increase national strategic competitiveness and security.

****All phone numbers are (202) unless otherwise indicated****

**THIS REPORT IS FOR THE MEMBERSHIP OF JIAP AND CANNOT BE
REDISTRIBUTED WITHOUT THE PERMISSION OF JIAP**

The Japan Information Access Project

2000 P Street, N.W., Suite 620

Washington, DC 20036-6920

Tel: 202-822-6040 · Fax: 202-822-6044

<http://www.jiaponline.org>

2) MEMBER NEWS

JIAP Members generally behaved this week.

3) CRITICAL REPORTS

11/6 - Treasury Secretary Mr.Snow and Ambassador Mr.Koto sign a newly revised US-Japan Tax Treaty. “Text: Snow Says U.S.-Japan Tax Treaty Will Help Trade, Investment (Remarks at U.S.-Japan income tax treaty signing ceremony),” US State Dept 11/7/03. Once approved by the U.S. Senate, the new U.S.-Japan income tax treaty will "enhance the environment" for trade and investment between the two countries.”

<http://lists.state.gov/SCRIPTS/WA-USIAINFO.EXE?A2=ind0311a&L=WF-EASIA&P=R10693>

Convention Final

<http://www.treas.gov/press/releases/reports/conventionfinal.pdf>

Protocol Final

<http://www.treas.gov/press/releases/reports/protocolfinal.pdf>

U.S. Note Final

<http://www.treas.gov/press/releases/reports/usnotefinal.pdf>

Signing of the New Japan-US Income Tax Convention (MOFA)

<http://www.mofa.go.jp/region/n-america/us/convention/sign0311.html>

11/4 - A slaughtered 21-month-old cow in Hiroshima Prefecture is confirmed as the **ninth** cow to be infected with **mad cow** disease in Japan and the youngest in the country. At 21 months, the cow is considered unusually young to be infected with the brain-wasting disease.

11/6 – “In a somewhat astonishing development, Nihon Keizai [11/6/03] reported that after discovery of two new cases of mad cow disease within a month, both of them in young animals, the Agriculture Ministry has finally decided to incinerate all remaining stocks of feed containing meat bone meal. **What's astonishing about it, of course, is that in theory MBM was banned from feed two years ago after the first Japanese cases of the disease surfaced, and no report up to now has suggested that the ministry didn't bother at the time to clean out existing stocks of the stuff.** But Nikkei said MoA is now setting aside Yen 700 million (\$6.4 million) to pay for final disposal of older feed containing MBM, by paying a subsidy of Yen 60/kg (25 cents a pound) to have the remaining stock of about 14,000 tons incinerated. The object is "to ease consumer fears" about domestic beef.” (As reported from the *Nikkei* “**Govt To Provide Aid For Disposal Of Mad-Cow-Linked Feed**” in the *Daily Japan Digest*, 11/6/03, p5)

11/6 – US State abruptly ends its Secure, Seamless Trade in Asia (SSTA) Initiative reportedly due to serious objections by the Japanese government expressed. SSTA was an attempt to foster an integrated approach to the disparate elements that affect the efficient transit of goods between the United States and Japan, from the initial order to the final delivery of a product. The goal of this initiative was to remove unnecessary impediments to the flow of goods and to ensure that every link in the supply chain is secure.

“Needed: A Sense of Common Purpose,” Henry A. Kissinger, 56th Secretary of State of the United States from 1973 to 1977, Op-Ed, WP11/2/03, B7. “Iraq thus becomes a major test of the possibility of an enlightened world of order and, above all, of the possibility of restoring the Atlantic relationship.” International acceptance of Iraqi government as well as the support from US is essentially needed for the emerging Iraqi government.

Remarks to the U.S.-Japan Business Council Annual Meeting, U.S. Treasury Secretary John W. Snow, Washington, DC, November 3, 2003, Calls for greater flexibility as the key to reviving Japan’s economy and

reiterates the Bush Administration's support of Prime Minister Junichiro Koizumi's reform program as the means to achieving this goal. Text: <http://www.ustreas.gov/press/releases/js965.htm>

4) OPINION, REPORTS & STATEMENTS

COVER STORIES

NATIONAL JOURNAL – “The French Were Right,” 11/7/03. Jacques Chirac and his camp, shaped by the Algerian war and their own recent lessons in fighting terrorism, correctly predicted the consequences of invading Iraq.” <http://nationaljournal.com/members/news/2003/11/1107nj1.htm>

ECONOMIST – “Greatest danger, or greatest hope?” 11/8/03. Devoted to today's widespread worries about the United States.” http://www.economist.com/printedition/displaystory.cfm?Story_ID=S%27%298%28%24RA%2F%23%23P%20%3C%0A

FAR EASTERN ECONOMIC REVIEW – “FREE SPIRITS OF ASIAN CINEMA, Across Asia, independent film is finding a voice,” 11/6/03. http://www.feer.com/articles/2003/0311_06/tw.html#cu

JAPAN

JAPAN-BUSINESS

“Sakhalin Gas Turns Up Heat Under Japan's Suppliers: Prices Of Indonesian And Australian LNG Contracts Are Under Pressure,” FT 11/5/03, p18. Tokyo Electric Power and Tokyo Gas to buy 2.3m tones of liquefied natural gas (LNG) from Sakhalin for at least 20 years starting 2007. Shift in supplier on Japan's part adds pressure to Indonesia and Australia, current biggest suppliers, to offer competitive prices.

“Toyota Posts Record \$4.8 Billion 6-Month Profit: Increase Of 23.2% From A Year Ago,” NYT11/6/03, W1. The Toyota Motor Corporation marked record profits of \$4.8 billion in six months, despite the slow market and a stronger Japanese currency, mostly because of the sales of its new minivan, the Scion, and Prius. See: <http://www.toyota.co.jp/jp/>.

JAPAN-ECONOMY

Remarks to the U.S.-Japan Business Council Annual Meeting, U.S. Treasury Secretary John W. Snow, Washington, DC, November 3, 2003, Calls for greater flexibility as the key to reviving Japan's economy and reiterates the Bush Administration's support of Prime Minister Junichiro Koizumi's reform program as the means to achieving this goal. Text: <http://www.ustreas.gov/press/releases/js965.htm>

“S&P Is ‘Unlikely’ To Boost Japan's Debt Rating,” FT11/3/03, p7. “The size of fiscal deficit, if anything, is still increasing. The deflationary environment has ebbed to some degree but it's still evident, and deflation is the biggest factor affecting Japan's sovereign rating,” said Mr. David Beers, managing director and head of sovereign and international ratings at Standard & Poor's. See: **Report Says Credit Quality Benefits From Allure of Higher Growth in Japan, Rating 10/28/03.**

<http://www2.standardandpoors.com/NASApp/cs/ContentServer?pagename=sp/Page/FixedIncomeNewsAnalysisPg&&b=2&s=&i=&ig=&r=1&l=EN&fr=1&fig=&fs=&ft=4&fc=&vns=9>

JAPAN-FOREIGN POLICY

“Japan @ world -- Mr. Miyazawa's concern about dispatching SDF overseas,” By Yoichi Funabashi, *Asahi Shimbun* columnist, ASAHI 10/30/03, p15, US Embassy Translation 11/4/03. “I can't find any reason why the government had to (decide on the dispatch of the SDF) and I don't feel that the government had an in-depth discussion on the necessity of an SDF dispatch. I don't think the government gave the public sufficient explanation of its decision to dispatch SDF personnel to Iraq, although it did say it would send them to support its ally, the United States, which has made efforts to resolve the North Korea problem for Japan.”

“Summary of Report of the Study Group on Corporate Strategy in East Asia,” by Junichi Yokota, Assistant Director, Asia and Pacific Division, Trade Policy Bureau, METI, IIST MAIL MAGAZINE, No.0051 4/November/2003. The Study Group on Corporate Strategy in East Asia was established to identify industrial conditions and needs in order to assist in planning policies for stronger economic partnership between Japan and ASEAN. The September interim report released by the Study Group is outlined below. See: http://www.iist.or.jp/wf/magazine/0209/0209_E.html

JAPAN-POLITICS

“Editorial: Opening Japan to farm trade,” MAINICHI 11/4/03, p5, US Embassy Translation 11.4/03. “In order for Japan to take the lead in FTA negotiations, it has to boost the competitiveness of domestic agriculture to a level that is safe in the event where tariffs are cut.”

“2-Party Elections A Foreign Concept In Rural Japan,” NYT11/5/03, A3.

“Asahi poll: 90 percent of LDP and 60 percent of Minshuto candidates hold positive views about amending Constitution; Article 9 not only the contentious point,” ASAHI 11/2/03, p1.

“Japanese Leader Pitches A New LDP,” Editorial, WSJ11/6/03, A13. As DPJ popularity increases, Koizumi feels the need to show changes to prove who is the best candidate for reform. “This is the first time a [Japanese] election will be fought over policies,” said Yukio Edano, chairman of the DPJ's Policy Research Committee. <http://www.dpj.or.jp/english/>.

“Japan And The LDP: Campaign Tactics Herald A Move Towards Normal Democracy,” Editorial, FT11/3/03, p14. “Democratisation and an end to the LDP's stultifying grip on political power are certainly what Japan needs. ...for the election to be declared a real success, it must also diminish further the influence of the LDP dinosaurs and establish an enduring competition between two big parties with different platforms.”

“Association of victims' families conducts opinion poll of Lower House candidates; 93 percent think abductions are an act of terrorism; Majority favors taking economic sanctions against North Korea,” TOKYO SHIMBUN 11/4/03, p1. “The Association of the Families of Victims Abducted by North Korea and the National Association for the Rescue of Japanese Kidnapped by North Korea made public yesterday the results of their joint survey of opinions of Lower House candidates on the abduction issue. The two groups sent questionnaires to most of the 1,159 Lower House candidates and received response from 975 persons by yesterday morning, marking a response rate of 84.15” percent.

JAPAN-SOCIETY & CULTURE

“Japan Farms: An Old Man's Game: Subsidized Agriculture System Has Little Appeal to Young,” NYT11/7/03, W1 “Across the archipelago, the number of people working full time in farming has dropped steadily, to about 2.8 million today, down from 3.9 million in 1980, and from 12 million in 1960.”

The Japan Information Access Project

2000 P Street, N.W., Suite 620
 Washington, DC 20036-6920
 Tel: 202-822-6040 · Fax: 202-822-6044
www.jiaponline.org

JAPAN-RELEVANT

CHINA-ECONOMY

“Credit Agencies Worry About Health Of China’s Banks,” NYT11/6/03, W1. “As China continues its reform of the financial sector, the health of the state banks remains a central concern.” Banks had not resolved to shift \$170 billion in 1999 and early 2000 in no performing loans into asset management companies. See report: “China Financial Services Outlook 2004 (English)”

http://www2.standardandpoors.com/spf/pdf/fixedincome/CFSO_eng_Dec.pdf

CHINA-FOREIGN POLICY

“China's New Diplomacy,” by Evan Medeiros and M. Taylor Fravel (RAND, Foreign Affairs, November 2003, pp. 22-35. “Perhaps the biggest surprise of the North Korea nuclear crisis has been the bold intervention of China, which has long avoided international affairs. RAND analyst Evan Medeiros and co-author Fravel look at the implications of China's recent turn towards a less confrontational, more sophisticated, more confident, and, at times, more constructive approach toward regional and global affairs.” See:

<http://www.rand.org/nsrd/capp/bulletin/newdiplomacy.html>

“China's Preliminary Assessment of Operation Iraqi Freedom,” By Garret Albert, Eric Valko, Kevin Pollpeter, and Michael Chase, Chinese Military Update, July 2003. “Concerned with the possibility of conflict with the United States over Taiwan, China has paid close attention to the performance of the U.S. military. The authors, RAND analysts, provide an initial look at Chinese assessments of the war in Iraq. See:

<http://www.rand.org/nsrd/capp/bulletin/cmu.html>

“No Sign Yet of China Expanding Its Nuclear Arsenal, Expert Says,” *Global Security Newswire* 11/7/03. “The latest evidence shows no signs that China is significantly expanding its long-range nuclear weapons capabilities to counter the United States and its planned national missile defense system, according to a private U.S. nuclear weapons analyst. Natural Resources Defense Council analyst Hans Kristensen drew that conclusion from a new assessment of Chinese nuclear weapons capabilities he coauthored for the November/December issue of the Bulletin of Atomic Scientists. The assessment questions “some of the assumptions behind China’s expected buildup,” he said, citing Defense Department and CIA reports that China might expand its arsenal and perhaps put multiple warheads on missiles to counter U.S. plans for a long-range missile defense system.

http://www.nti.org/d_newswire/issues/2003_11_7.html#2F546F74

See: **Chinese Nuclear Forces, 2003**, Bulletin of Atomic Scientists, Nov/Dec 2003.

<http://www.thebulletin.org/issues/nukenotes/nd03nukenote.html>

CHINA-TRADE

“China Is Not to Blame For US Ills,” Op-Ed, James Sasser, former US Senator, US ambassador to China, and currently consultant to the PRC, FT11/5/03, p15. “America’s attacks on China for alleged unfair trade practices are short-sighted and politically motivated. This is a dangerous game, with much to lose.”

“Opportunity Or Threat? The US Struggles To Solve The Puzzle Of Its Trade With China: Politicians Express Exasperation With A Flood Of Imports And Beijing’s Refusal To Revalue Its Currency. But Washington Has Little Real Interest In Protectionism,” Comment & Analysis by Edward Alden (JIAP Member), FT11/4/03, p11. “With the presidential election just a year away... ‘The administration is trying to look a lot tougher here for the American voting public than it has any intention of being on Chinese,’ says David Lampton, director of China studies at the (SAIS) Johns Hopkins... ‘It makes good political sense but it makes no economic sense.’”

“China On Way To Being World Trade Superpower: Beijing Likely To Achieve Another Record Trade Surplus With US And Will Eclipse Japan As Third Largest Importer,” FT11/6/03, p6. “But the ubiquitous question now is: how sustainable is China’s import binge? The answer will help to determine not only China’s trade

The Japan Information Access Project

2000 P Street, N.W., Suite 620

Washington, DC 20036-6920

Tel: 202-822-6040 · Fax: 202-822-6044

www.jiaponline.org

balance – and therefore the course of its prickly trade relationship with the US – but also the international prices of a gamut of metals, ores and other commodities.”

“World Trade Organization: Ensuring China's Compliance Requires a Sustained and Multifaceted Approach,” General Accounting Office, GAO-04-172T, October 30, 2003 (12 pages).

<http://www.gao.gov/docdb/lite/details.php?rptno=GAO-04-172T>

FOREIGN POLICY

11/5-8 - China-US Relations: Past, Present and Future, a conference co-hosted by Texas A & M University, the George Bush Presidential Library Fund, and the Chinese People's Association for Friendship with Foreign Countries. Speakers included, US Sec of State Colin Powell (see below), Former Vice Premier Qian Qichen (<http://www.china.org.cn/english/international/79280.htm>), Henry Kissinger

(<http://www.tamu.edu/univrel/aggiedaily/news/stories/03/110503-11.html>) Brent Scowcroft, James Baker.

<http://china-us.tamu.edu/index.php?fuseaction=conference>

“Transcript: U.S.-China Cooperative Relationship Is Growing Fast, Powell Says (Secretary of State's Nov. 5 Remarks), US State Dept, 11/5/03. “The cooperative relationship between the United States and China is growing at a remarkable pace, says Secretary of State Colin Powell. “High-level meetings are becoming so frequent, they are no longer treated as news or high drama by the media,” he told participants at the Conference on China-U.S.

Relations held November 5 at the George Bush School of Government and Public Service at Texas A & M University.” <http://lists.state.gov/SCRIPTS/WA-USIAINFO.EXE?A2=ind0311a&L=WF-EASIA&P=R3535>

“Science, Technology Cooperation Benefits China-US Ties,” People's Daily 11/8/03. “Chinese Vice Minister of Science and Technology Deng Nan said at the above conference. <http://china.org.cn/english/2003/Nov/79549.htm>

“How US Hawks Hijacked Mideast Policy,” Mark Mazower (professor of history, Birkbeck College London), Op-Ed, FT11/4/03, p13. “To the hawks, with their highly militarized view of the world, force is the only route to peace and the only language that Arabs understand.”

“Echoes Of Reagan Idealism: Belief In Liberty As Policy Is Cited, Then Expanded To Mideast,” WP11/7/03, A22. President Bush drew a parallel between his Middle East policies and Reagan’s Cold War tactics. The priority of liberty as a moral right and necessity for organized society is the key concept. “Bush operates from the...very strong belief that ideals rule the world,” said former Rep. Vin Weber (R-MN.). Bush’s speech at National Endowment for Democracy. See: **“President Bush Discusses Freedom in Iraq and Middle East: Remarks by the President at the 20th Anniversary of the National Endowment for Democracy.”** November 6, 2003.

<http://www.ned.org/events/anniversary/oct1603-Bush.html>.

“U.S. Legislators Cut Bush Nuclear Weapons Requests,” Global Security Newswire, 11/6/03. “Reconciling differences between their respective versions of the fiscal 2004 energy and water appropriations bill, House and Senate lawmakers addressed a Bush administration request for \$21 million to conduct specific nuclear weapons research and related activities.” http://www.nti.org/d_newswire/issues/2003_11_6.html#BB6B3B7C

GLOBAL ECONOMY

“A Surge In Ocean-Shipping Rates Could Increase Consumer Prices,” WSJ11/4/03, A1. China’s surging economy is creating a huge demand for ships to import the basic raw materials thus affecting overall world shipping rates and world wide commodity prices. See: www.balticexchange.com.

“A Fish Story,” Editorial, WSJ11/6/03, A14. “How to save the oceans (and fishermen) from overfishing.” “Ocean fisheries are a classic example of the ‘tragedy of the commons’...The good news is that a market-based solution is already flourishing...Individual fishing quotas (IFQs) are the equivalent of cap-and-trade pollution programs.”

“Combating Money Laundering: Opportunities Exist to Improve the National Strategy.” GAO-03-813, September 26, 2003 (77 pages). <http://www.gao.gov/docdb/lite/details.php?rptno=GAO-03-813>

The Japan Information Access Project

2000 P Street, N.W., Suite 620

Washington, DC 20036-6920

Tel: 202-822-6040 · Fax: 202-822-6044

www.jiaponline.org

INDONESIA

“Indonesia Extends Martial Law In Unsettled Province,” WP11/4/03, A22. President Megawati declared to extend martial law in Aceh, where the government is fighting the separatist rebels. “Under conditions of martial law, it would be easier to guarantee the security of society and therefore to have successful election in Aceh,” said Indonesia’s senior security minister, Susilo Bambang Yudhoyono.

“The Perils of Private Security in Indonesia: Guards and Militias on Bali and Lombok,” International Crisis Group, Asia Report No 67, 11/7/03. Focuses on civilian security groups on these two neighbouring islands, examining how they arose to carry out protection and crime-fighting functions that the police were unable or unwilling to undertake. Their existence, however, serves to weaken police credibility and undermines the state as the final guarantor of security in a democratising country. <http://www.crisisweb.org/home/index.cfm?l=1&id=2353>

INTELLECTUAL PROPERTY

10/31 – Beijing High People’s Court initiates a website of the documents of judicial decisions on intellectual property rights cases handled by the courts in Beijing at various levels. <http://bjgy.chinacourt.org> (Chinese only) http://www.ebeijing.gov.cn/News/BjToday/Official/t20031103_72653.htm

IRAQ ISSUES

“Survey Shows Skepticism About Iraq: Most Americans Polled Don’t Believe Conflict Is Key Fight In War On Terrorism,” WP11/5/03, A13. The Washington Post- ABC news Poll survey was conducted Oct. 26-29, 2003 on the phone to 1,003 people randomly. See: <http://www.washingtonpost.com/wpsrv/politics/polls/vault/stories/data110103.html>

“Senate Approves \$87 Billion For Iraq: Bush Gets Package Largely As Requested,” WP11/4/03, A1. “As the president has said time and time again, we will not walk away from Iraq...and create a vacuum for terrorists to fill,” said Ted Stevens, Appropriations Committee Chairman (R-AL). Most of the money granted will be spent during the current fiscal year, ending in September.

IRAN ISSUES

“Dealing with Iran's Nuclear Program,” International Crisis Group, Middle East Report No 18, 10/27/03. The EU initiative and positive Iranian response will head off a collision in the short run. It shows that Europe’s policy coupling pressure and engagement can produce results. But given the underlying U.S.-Iranian distrust and for the agreement to be more than a short-lived reprieve, it needs to be vigorously followed up and strengthened. <http://www.crisisweb.org/home/index.cfm?l=1&id=2330>

NORTH KOREA

“North Korea’s Bomb: Untested But Ready, CIA Concludes,” NYT11/9/03, P4. “Too late perhaps, for the U.S. to block the emergence of another nuclear power.” CIA believes N. Korea has nuclear arm developed enough that its power is believable without any testing involved. Bush’s outlook on six-nation talks maybe shaped by this report. Pakistan still insists that it did not assist N. Korea in nuclear development. See: <http://www.fas.org/sgp/news/secretcy/2003/10/103103.html>. <http://www.fas.org/sgp/news/secretcy/2003/10/103103.html>.

“US Persuades Allies To Halt North Koreans Atom Project: 1994 Accord seems about to be scrapped,” NYT11/5/03, A10. The US, Japan, S.Korea, and the EU were said to have agreed to suspension of a multimillion-dollar project to build two nuclear reactors in N. Korea. Seoul argued for continuation of the project, however Mr. Bush refused. An official said there would be no revision to the program if no agreement were reached in six-nation negotiations with Pyongyang. See: <http://www.kedo.org>.

The Japan Information Access Project

2000 P Street, N.W., Suite 620
Washington, DC 20036-6920
Tel: 202-822-6040 · Fax: 202-822-6044
www.jiaponline.org

DPRK Response To Reactor Construction Halt, <http://www.kcna.co.jp/item/2003/200311/news11/07.htm#1>

“Pyongyang informally conveys to Tokyo its intention to flexibly handle return of repatriated abductees’ families left in North Korea, on condition that “face-saving action be taken””NIHON KEIZAI 11/2/03, p2, US Embassy Translation 11/5/03.

“Musharraf Refutes Charges That Pakistan Aided North Korean Nuclear Efforts,” Global Security Newswire, 11/6/03. “In an interview with the *Korea Times*, Musharraf, who is currently visiting South Korea, denied that Pakistan had provided North Korea with materials for use in either Pyongyang’s nuclear or ballistic missile efforts. “The reality is that during the four years that I have been president I can say with full guarantee that no proliferation has ever taken place. There has been no defense collaboration with North Korea,” Musharraf said. “This is a baseless allegation,” he added.”” http://www.nti.org/d_newswire/issues/2003_11_6.html#BB6B3B7C

“S&P Warns Seoul That N. Korea Will Collapse,” FT11/4/03, p5. S&P’s Managing Director for Sovereign Ratings, John Chambers in a press interview says “that state collapse in N. Korea was just a matter of time and could cause a bigger shock to the South’s economy than the 1997 Asian financial crisis did.”

OBITUARY

“Madame’s Century,” Editorial, WSJ11/07/03, W15. “...Wednesday’s packed Memorial service at St. Bartholomew’s Church in Manhattan...[for] Soong May-ling...better known as Madame Chiang Kaishek...points to another fact of her long, complicated life: the role her Americanization played in the history of 20th-century China...The democratic Taiwan we have today may not have been her intent. But without her vision of a China open to the world, it might never have happened.”

“Presidential Scholar, White House Adviser Richard Neustadt Dies,” WP11/3/03, B6. Neustadt who served in President Harry S. Truman’s White House and was a professor at Harvard died in Cape Cod. Oct. 31. He was best known for his critical insight into presidential power, which was noted “unusual ring of authenticity.”

SCIENCE & TECHNOLOGY

“The RIKEN Center for Developmental Biology,” ATIP03.057. 11/03. “The RIKEN Center for Developmental Biology (CDB) is the last in a series of new, high-profile life sciences research centers established by RIKEN over the past few years. Located in Kobe City and inaugurated in April 2002, the CDB has successfully attracted a number of leading scientists in the developmental biology field, both from organizations in Japan and abroad. Research at the CDB is focused on basic research in developmental biology, rather than clinical innovation or translational research in areas such as tissue engineering. The present report summarizes CDB’s current activities and future plans. For a summary including a table of contents:

<http://www.atip.org/public/atip.reports.03/atip03.057.pdf>

To securely purchase the full version of this report for \$250:

http://www.atip.org/REPORTSMATRIX/public/year2003_total.html

SOUTH ASIA

“India’s Chance To Catch Up: The Economy Is Buoyant But Has Disappointed Before,” Editorial, FT 11/5/03, p14. “In spite of religious tensions and the unresolved confrontation with neighboring Pakistan, India’s status as the world’s largest democracy provides a reasonably stable political platform for future economic growth. After previous disappointments, it is high time for India to prove the doubters wrong.”

“PM Says India’s Tortoise Is Pacing China’s Hare In Race For Reform: Edward Luce And John Riddling Talk To The Indian Premier, Who Believes A Moderate Rate Of Change Is The One That Suits His Democratic Country,” FT11/7/03, p4. Interview with Atal Behari Vajpayee. “[Special economic zones]’s success in attracting investment, and the profitability of this investment, will strengthen confidence in our reform process both within India and outside,” said Vajpayee.

The Japan Information Access Project

2000 P Street, N.W., Suite 620

Washington, DC 20036-6920

Tel: 202-822-6040 · Fax: 202-822-6044

www.jiaponline.org

“Pakistani Leader Warns He Will Match India’s Arms Purchases,” FT11/8-9/03, p3. “India should desist from introducing yet another generation of weapon system. If it does that, we will be forced to match,” said Pakistani Foreign Minister, Khurshid Kasuri.

“Peace Hopes Dim Again In Nepal: Violence Surges Following Collapse Of Cease-Fire With Maoists,” WP11/7/03, A23.

“President’s Surprise Moves Jolt Sri Lanka,” WP11/5/03, A23. President Kumaratunga suspended the Parliament and positioned troops around the capital, a move that could possibly damage the on going peace process with Tamil Tiger rebels.

SOUTH KOREA

“South Korea’s Competitiveness Eroded By Costs,” FT11/5/03, p8. The rising labor costs in S. Korea are the main reasons for its decline in foreign direct investment. Korea International Trade Assoc. (KITA) report, **Korea's Labor Costs Seen as Impediment to Competitiveness**, # 248, <http://www.kita.org/>, 11/11/03 taken from **Foreign Labor Trends - Korea** by, U.S. Department of Labor, Bureau of International Labor Affairs and U.S. Embassy, Seoul, 2003 <http://www.dol.gov/ilab/media/reports/flt/korea-2003.htm#002>.

SOUTHEAST ASIA

“Malaysian Strongman Leaving Mixed Legacy,” WP10/27/03, A12. Mahathir Mohamad, outspoken, confrontational, and controversial.

“Malaysia After Mahathir” Summary of an October 23rd presentation by RAND analyst Anny Wong. “Malaysia, a modernizing, stable Islamic country with a vibrant market economy, occupies a strategic position along important Asian sea lanes and plays a key role in enforcing security in the region. Neither the U.S. nor Malaysia sees any urgent need for change, Mahathir’s departure should not result in a fundamental change to current diplomatic or defense relations between the two countries in the short term. <http://www.rand.org/nsrd/capp/bulletin/malaysia.html>

“Thailand's Bid For Power,” Stratfor 11/6/03. “Thailand, Myanmar, Cambodia and Laos are preparing to form the Economic Cooperation Strategy trade zone when they meet in Bagan, Myanmar on Nov. 11-12. The ECS will solidify Thailand as the pre-eminent political power in peninsular Southeast Asia and is another step in Bangkok's ambitions to become the leading power in Southeast Asia.” <http://www.stratfor.biz/Story.neo?storyId=224440>

“Philippines: Political Crisis Undermining Arroyo's Administration, Security,” Stratfor 11/5/03. “A new political crisis is simmering in the Philippines. The nation's judicial and legislative branches are embroiled in a battle that is dragging President Gloria Macapagal Arroyo's government down. Not only will the latest turmoil hurt the president's chances for re-election in 2004, it also will undermine efforts to negotiate a peace settlement in Mindanao -- a situation that could hurt the U.S. strategic position in Southeast Asia.” <http://www.stratfor.biz/Story.neo?storyId=224347>

TAIWAN

“Taiwan Greets Kiribati as New Diplomatic Ally,” Taiwan News, 11/8/03. Taiwan's collection of diplomatic allies increased to 27 Friday after the South Pacific island nation of Kiribati officially recognized Taipei yesterday. <http://www.taiwansecurity.org/TN/2003/TN-081103.htm>

“Chen Hails Easing Public Restrictions During U.S. Visit,” China Post, 11/3/03. “Chen Shui-bian expressed Sunday satisfaction with the easing of restrictions by U.S. government on his public activities during the stop-over visit to New York. During his two-day stay in New York before moving on to Panama, Chen has met New York Mayor Michael Bloomberg, accepted an award from the International League of Human Rights, and delivered several public speeches. He also presented a national flag of the Republic of China and a posthumous citation

The Japan Information Access Project

2000 P Street, N.W., Suite 620
 Washington, DC 20036-6920
 Tel: 202-822-6040 · Fax: 202-822-6044
www.jiaponline.org

honoring the late ROC first lady Madame Chiang Kai-shek to her bereaved family.
<http://taiwansecurity.org/CP/2003/CP-031103.htm>

“U.S. Assures China on Taiwan Handshake,” Associated Press, 11/5/03. The Bush administration offered assurances Tuesday that Secretary of State Colin Powell's handshake with Taiwan's president did not change U.S. policy on China. <http://taiwansecurity.org/AP/2003/AP-051103-1.htm>

“US Trip Bolsters Chen’s Poll Hopes,” FT11/8-9/03, p3. President of Taiwan, Chen Shui-bian’s, trip to the US boosted his popularity at home. The trip was seen as a foreign policy breakthrough.

TRADE

“Buy American’ Provision Weakened: House Cuts Terms Opposed By Pentagon,” WP11/8/03, E1. Rep. Duncan Hunter (R-CA) raises concern of US’s foreign dependency at times of conflict. Buy American Bill. See: <http://thomas.loc.gov/cgi-bin/query/D?c108:1:./temp/~c108BsdZ6n::>

“America Plays Fair. Does China?” Don Evans, Commerce Secretary, Op-Ed, WSJ11/5/03, A20. US and China are the major economically growing countries in the world. But market openness in China is still not ready enough to commit performance in free trade and WTO.

US ECONOMY

“Greenspan Hints At End To Low Rates,” NYT11/7/03, C1. Speech to Securities Industry Association indicating optimism in US economy and criticizing government for not reducing the federal budget deficit. See: <http://www.federalreserve.gov/boarddocs/speeches/2003/20031106/default.htm>.

“High-Tech Jobs Are Going Abroad! But That’s Okay,” Op-Ed. Robert, Reich (Hexter Professor of Social and Economic Policy, Brandeis University), WP11/2/03, B3. “Jobs in America’s information-technology sector...are down 20 percent from late 2000... So why don’t I believe the outsourcing of high-tech work is something to lose sleep over?...the long-term trend is toward greater rewards to people who are at or near the frontiers of information technology. Federal government investments in basic research and development are also vital. We need to ensure that high-tech workers are adaptive and flexible.”

“Next Move in Steel: Revocation or Retaliation?” By Gary Clyde Hufbauer and Ben Goodrich, IIE, International Economic Policy Brief, October 2003, 17 pgs. “President Bush may soon have an opportunity for trade statesmanship, which will be sorely needed as the world digests the failed Cancún ministerial. If the WTO Appellate Body rules against the United States, President Bush should quickly revoke the safeguard duties. This action can be taken by executive order and does not require legislation.” <http://www.iie.com/publications/pb/pb03-10.pdf>

5) WEBSITE OF THE WEEK

Japan Focus

Cornell University, Ithaca, NY, USA

Self-description: "About Japan Focus - Japan Focus presents writings about Japan, Japan in Asia and the world, as well as Japanese and international perspectives on contemporary Japanese politics, economics and society. It offers translations from Japanese and Japan Focus originals. Coordinators - Mark Selden, Gavan McCormack, Yuki Tanaka, Julia Yonetani." [Ed. Japan for the broken-hearted *gaijin*.]

URL: <http://japanfocus.org/>

The Japan Information Access Project

2000 P Street, N.W., Suite 620
 Washington, DC 20036-6920
 Tel: 202-822-6040 · Fax: 202-822-6044
www.jiaponline.org

6) KEY & QUICK NEWS LINKS

*****Many are by subscription*****

- *Asahi Shimbun (AS): <http://www.asahi.com>
- *BBC Online: <http://news.bbc.co.uk>
- *Economist (EC): <http://www.economist.com>
- *Far Eastern Economic Review (FEER): <http://www.feer.com>
- *Financial Times (FT): <http://www.FT.com>
- *Inside U.S. Trade (IUST): <http://www.insidetrade.com>
- *Japan Digest (JD): <http://www.japandigest.com>
- *New York Times (NYT): <http://www.nytimes.com>
- *Nikkei (NK): <http://www.nni.nikkei.co.jp>
- *Oriental Economist (OE): <http://www.orientaleconomist.com>
- *Wall Street Journal (WSJ): <http://www.wsj.com>
- *Washington Post (WP): <http://www.washingtonpost.com>
- *Yomiuri On-line (YM): <http://www.yomiuri.co.jp/index-e.htm>