

BULLETIN

NORTH ASIA - L'ASIE DU NORD

JAPAN/JAPON

- During a luncheon speech to Canadian businesspeople in Vancouver, PM Kaifu lauded Japan and Canada's strong trade and investment ties and praised an increase, to over CAD\$3 billion during the last three years, in Japanese direct investment in Canada.
- Referring to Japan-U.S. talks on structural impediments to trade, PM Kaifu indicated willingness to ease regulations governing large retailers in Japan, reduce disparity between domestic and foreign product prices, and tackle the problem of sky-high urban land prices.
- An official of the Foreign Ministry stated that Japan has not decided to lift restrictions on travel to China, contradicting our report last week.
- Japan's imports of manufactured products during the first half of 1989 totalled US\$51 billion, up 15.6% over the year before.
- Mr. Matsunaga, the MITI Minister, blames the U.S.'s failure to increase its exports as the major cause of the trade imbalance between the two nations.
- A recent poll revealed that PM Kaifu's cabinet now has the support of 39% of the electorate.
- PM Kaifu said that Japan will take the initiative in developing new energy technologies to counter the global warming trend. Kyodo News alleges, on the basis of a confidential government report, that Japan is reluctant to support international regulations to control emissions of industrial gases.
- On Sept. 11, the U.S. dollar rose sharply to reach a 12-week closing high in Tokyo interbank trading despite intermittent intervention by the Bank of Japan.
- Foreign investors became net buyers of Japanese stocks worth Y12.7 billion in August for the first time in six months.

- In an effort to stem an influx of refugees and illegal entrants from China, Japan will repatriate "economic" refugees under a package of tough new policies.

- The International Monetary Fund has warned Japan and the U.S. that their unilateral actions on trade are undermining the global trading system.

- Japanese Foreign Minister Nakayama said Japan must live up to world expectations that it will soon become the world's largest aid donor.

- The Tokyo Stock Exchange has decided to ease listing requirements for foreign stocks from October 1, 1989, in response to increasing foreign requests.

CHINA/CHINE

- A senior Chinese official in Beijing has said that ousted Communist Party chief Zhao Ziyang will not be forced to stand trial for alleged wrongs committed while in office.

- Burkina Faso's Captain Blaise Compaore became the first head of state to visit China since June 4. In remarks to Captain Compaore, Li Peng said China will not refuse to absorb what is good from the West in education and culture, but noted that China should "guard against outside subversion while continuing contacts with the West."

- A delegation from the Chinese Communist Party Central Committee left for a visit to the USSR. The Chinese and Soviet Communist Parties normalized relations in May when the Sino-Soviet Summit took place in Beijing.

- Many of the 9,900 large and medium sized state-owned enterprises are now in severe debt both to banks and to other enterprises. The figure now totals Yuan\$108.5 billion.