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NORTH ASIA - ASIE DU NORD

based on media surveys in the North Asia region

JAPAN/JAPON

- In the immediate aftermath of the election of a new LDP President, many observers believe Miyazawa the winner emerged less strong than anticipated because of the defection of a number of dietmen who had been expected to support him, reflecting a weakening of the clout of the Takeshita faction. The revised power balance within the ruling party will be clearer once the lineup for the Cabinet is announced on or after November 5. Michio Watanabe has been offered the position of Vice Prime Minister and Foreign Minister.
- MITI is concerned about the potential impact on the Japanese car industry of lobbying by American auto makers to increase the local content requirement for duty-free trans-border shipment of cars assembled in Canada, the USA or Mexico. The North American Free Trade Agreement currently exempts from tariffs cars with a minimum of 50% local content, but the three major US car manufacturers would like this raised to 60-70%. Once the new MITI minister is named, he is expected to argue that this would be a GATT violation when he meets his US and Canadian counterparts in Korea at the APEC ministerial conference on Nov. 12.

CHINA/CHINE

- On October 22, the official People's Daily published the full text of General Secretary Jiang Zemin's speech to last month's preplenum working meeting of the CPC central committee. Focussing mainly on the problem of reinvigorating China's ailing state enterprises, Jiang noted that political stability is dependent on a sound economy. Calling for continuation and deepening of reforms and more openness,

he stated that more managerial autonomy must be granted to enterprise managers, and that greater attention should be paid to raising productivity and meeting market demands.

- Ruling that the matter fell outside the bounds of civil lawsuits, a Beijing court has refused to hear a libel action filed by former Culture Minister Wang Meng against a newspaper for publishing an article implying that Wang had attacked Deng Xiaoping. Wang, who lost his job after the Tiananmen crackdown, is a writer well known for his reformist views.
- The People's Daily in a front page editorial on October 24 welcomed the signature in Paris of the Cambodian Peace Treaty hailing it as a "break through" agreement upon which comprehensive and lasting peace can be built. The editorial called on all parties to honour their treaty obligations with the same spirit of commitment that made the negotiation of the agreement possible.
- The Chinese Government continues to publicize widely its anti-drug campaign. Thirty five people were sentenced to death for drug offenses at public rallies in the southern city of Kunming this week.

KOREA/CORÉE

- Japanese scholar Toshibumi Sakada claims to have identified a site north of Pyongyang as location of nuclear facilities capable of producing weapons grade plutonium. The location is just east of the town of Pakchon. Sakada based this information on analysis of images taken by a