BULLETIN

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NORTH ASIA - L'ASIE DU NORD

JAPAN/JAPON

- The LDP suffered a serious setback in the Tokyo Metropolitan Assembly election, losing 19 seats to drop to a total of 44, while the JSP tripled its seats from 12 to 36. JSP obtained 29% compared to 31% of the LDP, and the JSP winners, including twelve women, enjoyed a run away victory in 34 constituencies of 41.
- On July 4, the LDP and government formally agreed to retain the producers' rice price harvested this fall at the present level.
- The government has decided to implement official development assistance projects costing 300 billion yen aimed at preserving global environment in the next three years. Prime Minister Uno will offer this plan to the Paris summit.
- Foreign Minister Mitsuzuka stated at the opening of the annual ASEAN foreign minister's meeting that Japan would "fully cooperate" with both money and manpower to assist in formation of an international observer body in Cambodia.
- Japanese media (noting that registered women voters exceed men by 2.7 million) have ascribed the growing interest of women in July 23 Upper House election to the unpopular consumption tax and Prime Minister Uno's sex scandal.

CHINA/CHINE

- The Standing Committee of the National People's Congress has decided to dismiss Zhao Ziyang from his post as Vice-Chairman of the Central Military Commission. (Deng Xiaoping is Chairman.)
- A draft law on demonstrations has been submitted to the National People's Congress.
- The <u>China Daily</u> reports that the June 26 bomb blast on the Hangzhou to Shanghai train was deliberately set.

- China has expressed "regret" over the EC Summit's recent statement. A Ministry of Foreign Affairs spokesman said that the EC had made "presumptuous accusations against China and unilaterally adopted decisions jeopardizing bilateral relations".
- The State Statistical Bureau has announced that financial subsidies in 1988 totalled 76.9 billion yuan, up 4.7% over 1987, and comprising 1/3 of total financial revenues. Subsidies for money-losing state-owned enterprises increased by 18.4% over 1987.
- For the first time in ten years steel production has decreased in China. The first six months of 1989 will see about 800,000 fewer tons of iron and steel processed.
- The production of textiles has begun to slide because of a shortage of raw materials. The industry is short more than 500,000 tons of cotton this year.

HONG KONG

- Members of the U.K. Parliamentary Committee studying Hong Kong have rejected granting the "right of abode" to the 3.5 million British passport holders in Hong Kong, but will press the British Government to obtain international guarantees for Hong Kong citizens to be resettled should China breach the Sino-British Joint Agreement on the transfer of the territory to PRC sovereignty in 1997.
- Some Hong Kong leaders have attacked the U.K. Parliamentary Committee report as "one of the most dishonourable statements ever made about Hong Kong".