Several participants noted the great importance of China in our efforts to develop responses to the North Korean nuclear programme. China was very difficult to read in this regard but seemed not to regard North Korea as a big threat and was taken to be unwilling to support any strong action against the North. Chinese support might be gained if China came to ponder the consequences of eventual Korean unification with the assimilation of the North's nuclear weapons into a new, larger, Southern-dominated, militarily sophisticated Korean state on its border. The participants agreed that China was central to any developments on the peninsula. The Kim regime could survive for a long time with even tacit Chinese support. It was not clear, however, what degree of influence China actually had on North Korea. Some wondered if Chinese reticence masked the recognition on their part that they had very little real influence in the North. Some participants also wondered if the Chinese really understood the Koreans very well. As well, it was suspected that the central Chinese government had little real capacity to manage the Korean-Chinese border as a result of the continuing, de facto decentralization of control in China. A consideration that might alter Chinese perceptions was the growing economic relationship between China and South Korea. It was observed, however, that the Chinese government typically maintained a sharp separation between political and economic considerations, rarely allowing the latter to unduly influence the former. The emergence of a new, younger leadership group in China, however, might change Chinese attitudes towards the North.

The discussion also addressed the potential role of arms control approaches, particularly confidence building. Few participants saw great promise in promoting confidence building arrangements, primarily because the Kim regime was perceived to be untrustworthy. Confidence building simply will not work in this type of environment. From the North Korean perspective, there was nothing attractive about transparency as it posed a direct threat to its basic nuclear strategy. The Kim regime appeared not to understand the logic of confidence building in any event so this policy direction seemed unrewarding at present.

A very interesting discussion developed around the example of the South African government's decision to renounce its nuclear programme. This was seen by several participants as being a potentially useful reference example that might be emulated by a successor regime in North Korea. The South African government had opted for this course in order to divest itself of what now seemed to be a counter-productive and embarrassing policy. In a sense, getting rid of their weapons had been a unilateral confidence building measure. It was suggested that the best strategy for North Korea's neighbours may be to develop an "excuse" or rationale for a post-Kim regime to use as a "fig leaf" permitting it to abandon its nuclear programme.

The afternoon session began with the presentation by Ms. Shannon Selin of her paper. "Arms Build-ups in the Pacific Region" looked at the broad phenomenon of weapons acquisitions throughout