



NOT FOR ATTRIBUTION

**BULLETIN**

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**NORTH ASIA - ASIE DU NORD**

**JAPAN/JAPON**

- According to press sources, Prime Minister Kaifu welcomed defeat of the coup against President Gorbachev and immediately unfroze aid programs put on hold since Monday. Among such assistance is US\$ 100 million in Export-Import Bank emergency loans pledged to the Soviets for food purchases, a syndicate loan of US\$350 million by private banks to help the USSR pay trade debts to Japan, and the government's trade and investment insurance for the Soviet Union.
- Chief Cabinet Secretary Sakamoto said Tokyo plans to increase contacts with the Russian Federation following President Yeltsin's display of strength in foiling the coup, Kyodo reported.
- According to Kyodo, Singaporean PM Goh Chok Tong asked the Japanese government to support the East Asian Economic Grouping, saying it is not intended to confront other regional economic groups.
- Growth in Japan's corporate investment for the current fiscal year will fall to 8.4% from 15.9% last fiscal year, according to the latest survey by the Nihon Keizai Shimbun newspaper.
- Shinmei Breeders Co., a major Japanese cattle company, announced it will quit importing foreign beef because of intense competition caused by liberalization of imports, press reports said. The firms said it will terminate import contracts with producers in the US and Canada, and focus on domestic production.
- Kyodo reports the US International Trade Commission imposed antidumping duties on Japanese flat panel displays, ruling that Japanese producers are selling them in the US at unfairly low prices. The affected Japanese manufacturers are worried that the antidumping

duties could force them to lose their competitive edge in the US market. Hosiden Electronics, a leading maker of liquid crystal displays for laptop computers, announced it stopped shipping to the US because of the 62.67% dumping duty imposed on its screens.

- A US court has ordered Japanese electronics firms Toshiba and NEC to pay royalties to Wang Laboratories, Kyodo reported. The company sued the two Japanese companies for infringing its patents on two memory devices used for personal computers and other electronic equipment.

**CHINA/CHINE**

- Xinhua reports Qian Qichen, Chinese State Councillor and Foreign Minister, met with the Soviet ambassador to China on 22 August. The ambassador conveyed a personal message from President Gorbachev to the Chinese leaders. Qian said the Chinese government has consistently advocated that the internal affairs of the Soviet Union should be handled by the Soviet people themselves.
- Two PRC reporters arrived in Taiwan from Hong Kong at the invitation of Taiwan's China Times to report on detained fishermen held on a charge of piracy for boarding a Taiwan fishing boat. The two PRC reporters are the first to visit Taiwan since the civil war, media sources claim.

**KOREA/CORÉE**

- Senior Officials Meeting in Kyongju will discuss final preparations for November's Asia Pacific Economic Cooperation ministerial meeting in Seoul. The key issues are: trade liberalization, regional economic trends, admission of China, Hong Kong and

Taiwan, and a declaration of APEC principles to provide a basis for the regional forum.

- Media sources estimate overall Korean trade deficit in 1991 will range from US\$ 6-9 billion. Debate continues over whether the rising deficit is a problem, and what instruments are available to constrain import demand and/or stimulate exports further.

- L'Association coréenne de commerce international (Korean Foreign Trade Association) a indiqué que les produits coréens ont subi une perte de 15.7% de leur compétition comparativement aux importations depuis 1988.

- The Korean Institute for International Economic Policy has reported that the Korean service industry has fallen behind the US and Japan. Labour productivity in Korea is 21% of US and 33% of Japanese levels, while labour costs are 70% higher than in the US and 26% higher than in Japan.

- Media sources report foreign bankers are skeptical about the Korean government's plan to turn Seoul into an international financial centre because Korea still has tight restrictions on interest rates and capital inflows and outflows.

- Le service des nouvelles YONHAP a émis un rapport en provenance d'économistes officiels, relatant que la Corée du sud éliminera ses restrictions relativement aux importations, sur une période de 5 ans, en réécrivant sa loi de commerce international et en joignant l'accord GATT sur les permis d'importations.

- Press sources at the beginning of the week reported that North Korea suggested that the working-level negotiations, on the North-South Korean Prime Ministers' talks scheduled to be held in Pyongyang between 26-27 August, be held on the northern side of Panmunjom in the DMZ because cholera in South Korea could spread to the North through the South Korean delegation. ROK journalists claim this is a pretext which might lead to a delay in holding talks.

- According to the Minister of Environment,

Kwon E-Hyuk, Korea and the Soviet Union have agreed to pursue a regional environment consultative body for northeast Asia which would include the two Koreas, Japan, China and the Soviet Union.

### TAIWAN

- Communications Minister Eugene Chien claims Taiwan should use its US\$ 300 billion public works program to pressure foreign governments into establishing air links with the island and ease visa restrictions on Taiwanese, media sources report. The minister said foreign firms bidding for transport and communications contracts should be required to lobby their governments to make concessions to Taiwan. France recently agreed in principle to establish aviation links with Taiwan.

- On August 18, China Airlines quietly launched its inaugural flight to Vietnam. The flight, which only carried three aviation officials along with the crew, was not announced beforehand because of diplomatic considerations, the airline said. An announcement released after the flight said the Taipei-Ho Chi Minh City route would begin carrying passengers on August 21.

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### ONGOING AND UPCOMING/ A VENIR

- Foodex, Osaka '91 - Sept.
- Mining Equipment Seminars - Beijing, Nanjing, Changsha, Sept. 1-5.
- Japan Food Service Show - Sept. 1-6
- Tokyo International Gift Show - Sept. 3-5.
- Seoul Instrument '91 - Sept. 13-17.
- Japanese Sporting Goods Buyers Mission to CSGA - Sept. 14-24.
- Beef Mission from Taipei - Sept. 23-27.
- Building Products Mission from HK, Sept. 28-Oct 8.
- Software Mission/Tokyo and Software Show '91/Osaka - Sept. 29-Oct. 9.

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